

DAILY REPORT

People's Republic of China

Vol I No 214

2 November 1979

INTERNATIONAL AFFAIRS

GENERAL

UN Committee Chairman Denounces South African Nuclear Detonation
XINHUA Views OPEC Commitment to Common Fund

A 1
A 1

NORTHEAST ASIA

First Beijing Report on Death of South Korea's Pak
Ohira Comments on Japan's Military, Diplomatic Role
Japan To Participate in Pacific Maneuver
Lin Hui-jia-Led Friendship Delegation Feted in Tokyo
'Society of Friends of Chinese Students' Founded in Tokyo
Birth of Japanese Writer Commemorated at Osaka Meeting

D D D D D D D

SOUTHEAST ASIA & PACIFIC

XINHUA Commentary Questions SRV-Kampuchean Provincial Ties
Vietnamese 'Comrade' Hoang Van Hoan Inspects Beijing Airport
XINHUA Cites Holbrooke Remarks on U.S. Commitment to Thailand
Thai Defense Minister Visits Japan
Vietnamese Gunboats Attack Thai Fishing Boats
More Vietnamese Refugees Enter Thailand
Thai Parliamentary Delegation Feted in Hangzhou
XINHUA Notes Singapore Minister's Support for Thailand

Е Е Е Е Е Е Е Е

WESTERN EUROPE

Continuing Reportage on Hua Visit to UK
Hua, Thatcher Talks
PRC-UK Cooperation Agreements
Hua on Financial Cooperation
Hua Invitation to Thatcher
Hua Attends Reception
London Banquet
Hua Banquet Speech
Schmidt, Thatcher Issue Statement After Bonn Talks
XINHUA Newsletter on Premier Hua's FRG Visit
Ji Pengfei Meets French Communist Party Delegation
Vice Premier Kang Shien Meets French Geologists
Vice Premier Gu Mu Meets Austrian Bankers
Han Nianlong Attends Turkish National Day Reception

MIDDLE EAST & AFRICA

PDRY Delegation Returns From Moscow Talks	I 1
USSR-PDRY Treaty	I 1
XINHUA Cites Saudi Minister on Soviet, Cuban Troops	I 1
PRC Officials Attend Algerian Anniversary Activities	I 2
Algerian Ambassador's Reception	I 2
Special Envoy Departs	I 2
XINHUA Interviews Chai President Goukouni Quadeimi	I 2

WESTERN HEMISPHERE

XINHUA Reports Bolivian Military Coup	J 1
Mexico Distributes State, Plantation Land to Farmers	J 1
Mexico's PRI National Assembly Opposes Foreign Domination	J 1

PRC MEDIA ON TAIWAN AFFAIRS

PRC Organization Official Issues Appeal to Taiwan	K 1
---	-----

NATIONAL AFFAIRS

CCPCC, State Council on Shift to Supply, Demand Pricing	L 1
Roundup on Adjustment of Commodity Prices on 1 November	L 2
Commercial Departments' Losses Due to Price Policy	L 3
State Council Issues Circular on Meaningless Spending, Bonuses	L 4
GONGREN RIBAO Defends Material Incentives to Workers [13 Oct]	L 4
Guangzhou Trade Fair Reports Record Export Transactions	L 7
Leaders Attend Sciences Academy Anniversary Tea Party	L 7
Deng Xiaoping's Address	L 8
Further Report on Activities Commemorating Li Dazhao Birth	L 9
GUANGMING RIBAO on Strengthening Government During Ming Dynasty [16 Oct]	L 11
Further Reportage on National Writers, Artists Congress	L 16
Mao Dun Speech	L 16
Zhou Yang Report	L 18
Minority Nationality Artists Activities	L 20
Briefs: Record Egg Purchases; National Hybrid Rice Symposium	L 20

REGIONAL AFFAIRS

EAST REGION

Peng Chong Addresses Shanghai Meeting on Ye's Speech	O 1
WEN HUI BAO Urges People To Share State's Problems [28 Oct]	O 2
GUANGMING RIBAO on Economic Theory Class in Zhejiang [21 Oct]	O 3
Briefs: Jiangsu Antidrought Struggle	O 5

CENTRAL-SOUTH REGION

NANFANG RIBAO Commentator on Disaster Relief [19 Oct]	P 1
Duan Junyi Attends Water Conservancy Seminar in Zhengzhou	P 2

SOUTHWEST REGION

Yang Dezhi Addresses Kunming PLA Militia Work Meeting
 Briefs: Sichuan Oil Leak; Sichuan Industry;
 Thai Delegation in Yunnan;
 Yunnan Textiles

Q 1
Q 2

NORTH REGION

Beijing Meeting Reverses Verdict Against Trade Unions
 Liu Zihou Attends Hebei Security Directors' Meeting
 Hebei Conference on Archives Work Emphasizes Science
 Nei Monggol Regional Revolutionary Committee Session Closes
 Second Plenary Session
 Kong Fei's Report
 Committee Resolution
 Luo Guibo Attends Shanxi Archives Work Conference
 Chen Weida Speaks at Tianjin Meeting on Raising Prices
 Tianjin Holds Rally on Energy Conservation Month Activity

R 1
R 1
R 1
R 2
R 2
R 3
R 4
R 4
R 5
R 5

HONG KONG COMMUNIST PRESS

TUNGHSIANG Carries Bangkok Report on Hoang Van Hoan's Defection [16 Oct]
 WEN WEI PO on Hong Kong's Role in PRC Modernization [26 Oct]
 TA KUNG PAO Publishes PRC Customs Measures [24 Oct]

U 1
U 2
U 4

I. 2 Nov 79

PRC INTERNATIONAL AFFAIRS
GENERAL

A 1

UN COMMITTEE CHAIRMAN DENOUNCES SOUTH AFRICAN NUCLEAR DETONATION

OW262315 Beijing XINHUA in English 2134 GMT 26 Oct 79 OW

[Text] United Nations, October 26 (XINHUA)--Chairman of the U.N. Special Committee Against Apartheid Akporode Clark today denounced the detonation of a nuclear device by the racist regime of South Africa.

This is contained in a statement he made at today's plenary session of the General Assembly. The news that South Africa detonated a nuclear device on September 22 in an area of the Indian Ocean and South Pacific had shocked all Africans and "is indeed a sad commentary on international morality," he said. He pointed out, "Its sole objective for acquiring nuclear weapon capability was to threaten and blackmail African countries which oppose its inhuman policy of apartheid."

He said, "In spite of denials by South Africa and its Western accomplices of its diabolical strategy, the nuclear weapons programme of South Africa is only possible because of the assistance and cooperation South Africa was receiving from some Western countries, and lately Israel, which have consistently supplied it with technology, electronic equipment and other materials."

He requested the U.N. secretary-general to investigate immediately the reports concerning the nuclear explosion by South Africa and report to this session of the assembly on its finding.

XINHUA VIEWS OPEC COMMITMENT TO COMMON FUND

OW020830 Beijing XINHUA in English 0708 GMT 2 Nov 79 OW

[Text] Geneva, November 1 (XINHUA)--The Organization of the Petroleum Exporting Countries (OPEC) has pledged to contribute 100 million U.S. dollars to the Common Fund under the integrated programme for commodities being negotiated under the auspices of the U.N. Conference on Trade and Development.

This commitment was made here by the secretary-general of the OPEC special fund, Ibrahim Shihata, at a plenary meeting of the interim committee of the U.N. negotiating conference on a Common Fund.

Shihata said that the OPEC countries would contribute one third of the total 32 million dollars assigned to the Group 77 as the variable portion of the mandatory contributions of that group. The OPEC countries would also pay the equal portion of the mandatory contributions of all least developed countries (one million dollars for each). Besides, he said, the OPEC countries were prepared to make a voluntary contribution to the so-called second window of the Common Fund.

In taking this action the OPEC countries wanted to accelerate the negotiating process for the establishment of the Common Fund, Shihata said.

I. 2 Nov 79

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

D 1

FIRST BEIJING REPORT ON DEATH OF SOUTH KOREA'S PAK

OW270219 Beijing XINHUA in English 0200 GMT 27 Oct 79 OW

["Pak Chong-hui Killed"--XINHUA headline]

[Text] Beijing, October 27 (XINHUA)--The South Korean authorities announced that Pak Chong-hui was shot dead yesterday night, according to an AP report from Seoul.

It was also reported that "Prime Minister" of the Seoul regime Choe Kyu-ha was named acting "president", while martial law was in force throughout South Korea except the southern island of Chejudo.

OHIRA COMMENTS ON JAPAN'S MILITARY, DIPLOMATIC ROLE

OW291230 Beijing XINHUA in English 1217 GMT 29 Oct 79 OW

[Text] Tokyo, October 29 (XINHUA)--"In the eighties, Japan will carry out its duties and play its role in international society through dynamic diplomatic activities, and we shall faithfully carry out the Japan-U.S. security treaty and make serious efforts in self-defence," said Prime Minister Masayoshi Ohira when he reviewed a military parade held by the Japanese Self-Defence Forces yesterday, in the capacity of supreme commander of the forces.

The annual military review took place at the Asakasumi training range of Saitama Prefecture. Ohira, riding in an open car together with Ganri Yamashita, director general of the Defence Agency, and Takeda, chairman of the Joint Staff Council, reviewed 5,200 men and officers, 300 military vehicles and 80 airplanes. He delivered a speech afterwards saying that "the Self-Defence forces must have the understanding and support of the Japanese people." Over 2,000 Japanese people watched the military parade.

JAPAN TO PARTICIPATE IN PACIFIC MANEUVER

OW240756 Beijing XINHUA in English 0731 GMT 24 Oct 79 OW

[Text] Tokyo, October 24 (XINHUA)--The Maritime Self-Defence Force of Japan has decided to take part in a joint mid-Pacific manoeuvre with the United States, Canada, Australia and New Zealand next spring, announced Ryohei Oga, chief of staff of the Maritime Self-Defence Force, at a press conference yesterday afternoon.

It is the first time for Japan to take part in the manoeuvre known as the rim of the Pacific exercise, which has been conducted on six occasions since 1971. This is a comprehensive military exercise aimed at dealing with "complicated threats". It is more sophisticated than the Japan-U.S. joint maritime exercises of the past. Japan is reportedly to send ships, aircraft and 700 sailors in the exercise which will be commanded by a U.S. commander.

The Japanese paper Tokyo SHIMBUN points out in a commentary today that with Japan's participation in the exercise, it is possible to conduct joint Pacific defensive operations with the United States as its core.

I. 2 Nov 79

D 2

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

LIN HUJIA-LED FRIENDSHIP DELEGATION FETED IN TOKYO

OW011857 Beijing XINHUA in English 1846 GMT 1 Nov 79 OW

[Text] Tokyo, November 1 (XINHUA)--A reception was held here this evening by Shunichi Suzuki, governor of Tokyo Metropolitan, in honour of the friendship delegation from Beijing led by Lin Hujia, chairman of the Beijing Municipal Revolutionary Committee.

Beijing and Tokyo became sister cities last March. Speaking at the reception, the governor noted that the conclusion of the Japan-China peace and friendship treaty and the fact that Tokyo and Beijing became sister cities "have laid a solid foundation for the development of friendship between the 20 million people of the two cities." "I am convinced that the visit of the Beijing friendship delegation will certainly make contributions to the strengthening of the friendly ties between the two cities," he said.

Lin Hujia in his speech expressed the hope that cooperation between the two cities in the field of economy, trade, science and technology, culture, sports and municipal construction will be strengthened by various means. He also expressed the desire to learn from the Tokyo people their experiences in developing economy, administrating the city and eliminating environmental pollution. The Chinese delegation arrived here yesterday at the invitation of the authorities of Tokyo Metropolitan.

'SOCIETY OF FRIENDS OF CHINESE STUDENTS' FOUNDED IN TOKYO

OW011712 Beijing XINHUA in English 1614 GMT 1 Nov 79 OW

[Text] Tokyo, November 1 (XINHUA)--"The Society of Friends of Chinese Students Studying in Japan" was formed here this afternoon. The sponsors of the society are Itoko Kaya (wife of Seiji Kaya), Tenkoko Sonoda (wife of Foreign Minister Sunao Sonoda) and other Japanese friends.

At a founding ceremony here today, a leading organ of the society was elected. In her speech at the ceremony, Tenkoko Sonoda said that the founding of the society was to take care of the Chinese students studying in Japan in an organized way so that they could live and study well in Japan.

BIRTH OF JAPANESE WRITER COMMEMORATED AT OSAKA MEETING

OW261058 Beijing XINHUA in English 0753 GMT 26 Oct 79 OW

[Text] Osaka, October 26 (XINHUA)--Japanese people of all walks of life called a meeting here yesterday to commemorate the centenary of the birth of the Japanese Marxist Hajime Kawakami.

In his speech at the meeting, Kiyoshi Inoue, chairman of the organizing committee of the commemorative activities, paid high tribute to Kawakami's militant life. He said that Kawakami as a Marxist economist had faithfully applied Marxism during his life time. He was a communist fighter as well as a patriot.

Kawakami was born in October 20, 1879 and became a Marxist in 1910. He had translated the "Capital" and written the "ABC of the Capital" and "Study on Social Problems" and other works, which had not only disseminated Marxism in his country but also produced impact on Mao Zedong, Zhou Enlai, Li Dazhao and many other Chinese revolutionaries of the older generation. A modern drama "Soliloguy in Jail" was performed after the meeting, which depicts Kawakami's character in his struggle in prison with full confidence in Marxism.

I. 2 Nov 79

PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

E 1

XINHUA COMMENTARY QUESTIONS SRV-KAMPUCHEA PROVINCIAL TIES

OW011638 Beijing XINHUA in English 1608 GMT 1 Nov 79 OW

["Commentary: What Does Vietnam Mean by 'Sister Province'?" --XINHUA headline]

[Text] Beijing, November 1 (XINHUA)--The Vietnamese press has announced that by providing "assistance" and sending "agricultural technicians" and "doctors" to certain provinces in Kampuchea, Vietnam's Cou Long, Tay Ninh, Long An and An Giang provinces have entered into "sister province" relations with Kompong Speu, Kompong Cham, Kompong Chhnang and Takeo Provinces in Kampuchea. What are the Vietnamese up to?

According to Radio Democratic Kampuchea, the "doctors" and "agricultural technicians" dispatched by Vietnam's Long An Province to Rolea Pair District, Kompong Chhnang Province in Kampuchea, have occupied 350 hectares of banana and cassava plantations in the district. Vietnamese, sent from Vietnam's An Giang Province to Takeo Province in Kampuchea, gathered at the end of September some 300 hectares of paddy and scores of hectares of side crops. Under the name of "sister province" relations, the Vietnamese authorities have sent emigrants to Kampuchea on a massive scale. Arriving in Kampuchea, these emigrants enclose land and erect lodgings in banana plantations, orange plantations and pineapple plantations, and take possession of these plantations as though they were their own. Should the true owners enter the plantations, they are detained and classed as "thieves" and can only be saved if ransoms of gold or cattle are paid out. As a result of this kind of "assistance", a large number of Kampuchean people have been forced to leave their native place.

Facts show that the Vietnamese authorities are adept at practising colonialism, disguising it under a variety of "good" names. Last January, Vietnam invaded and occupied Kampuchea justifying its action under the slogans "particular relation" and "particular friendship". At present, Vietnam is bringing Kampuchean provinces under the jurisdiction of Vietnamese provinces and calling this action a "sister province" relationship so as to accelerate colonization. The true character which distinguishes Vietnam's "sister province" relationship is colonization, plunder and annexation.

VIETNAMESE 'COMRADE' HOANG VAN HOAN INSPECTS BEIJING AIRPORT

OW011624 Beijing XINHUA in English 1540 GMT 1 Nov 79 OW

[Text] Beijing, November 1 (XINHUA)--Vietnamese Comrade Hoang Van Hoan this afternoon went to the capital international airport and, inspected the large frescoes, paintings and lounges in the new terminal buildings. Greeting him at the airport and accompanying him on the inspection were Shen Tu, director-general of the General Administration of Civil Aviation of China, and Qiao Shi, deputy head of the International Liaison Department of the Central Committee of the Chinese Communist Party.

I. 2 Nov 79

E 2

PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

XINHUA CITES HOLBROOKE REMARKS ON U.S. COMMITMENT TO THAILAND

OW011618 Beijing XINHUA in English 1610 GMT 1 Nov 79 OW

["United States Will Respond to Vietnam's Attack on Thailand"--XINHUA headline]

[Text] Beijing, November 1 (XINHUA)--If Vietnam attacks Thailand, the United States will respond in a manner "appropriate to" the situation, since the United States has a treaty commitment to Thailand, U.S. Assistant Secretary of State Richard Holbrooke said in Singapore on October 30, according to a report from the capital.

The assistant secretary of state for East Asian and Pacific affairs was speaking at a press conference during a tour of this Southeast Asian country. He said the current Thai-Kampuchean situation is very serious and dangerous, and it is very urgent now to take actions to ease the tensions there.

The United States has very concrete commitments to the ASEAN countries, he said, adding that to strengthen ASEAN, the United States is now increasing its military and security assistance to the Southeast Asian region as a whole. He went on to say that "If the Vietnamese were to cross the border into Thailand, it would be a very serious matter." "It would create a significant change in the situation and I think the American response would have to be appropriate to the circumstances," he said.

The Soviets had a responsibility in the region based on its massive support for Vietnam, he said. "The Soviet Union should contribute to the solution of these problems rather than to the exacerbation of the tensions," he added. During his visit, the U.S. assistant secretary of state held talks with Singapore Prime Minister Lee Kuan Yew and Foreign Minister Rajaratnam.

THAI DEFENSE MINISTER VISITS JAPAN

OW011632 Beijing XINHUA in English 1535 GMT 1 Nov 79 OW

[Text] Tokyo, November 1 (XINHUA)--General Prem Tinsulanon, defence minister of Thailand, met with Ganri Yamashita, director-general of the Japanese Defence Agency, this morning. He arrived here yesterday on a four-day visit at the invitation of the Japanese Chief of Staff Lt. General Shigeru Nagano.

During his visit in Japan the Thai defence minister will inspect Japan's Self-Defence Forces and exchange views with ranking officials of the Japanese Self-Defence Agency on various issues, including the Kampuchean situation.

VIETNAMESE GUNBOATS ATTACK THAI FISHING BOATS

OW011544 Beijing XINHUA in English 1519 GMT 11 Nov 79 OW

[Text] Bangkok, November 1 (XINHUA)--Over 30 Thai fishing boats of the coastal Samut Sakorn Province were attacked by two gunboats of Vietnamese aggressor troops on the afternoon of October 30, according to the Thai paper THAI RATH today. The Thai boats were fishing on the high seas south of Koh Kut in Gulf Siam at the moment. The fishermen had to abandon their nets and fled away. During the attack, three Thai boats and 70 fishermen were held under duress by the Vietnamese.

I. 2 Nov 79

E 3

PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

MORE VIETNAMESE REFUGEES ENTER THAILAND

OW312214 Beijing XINHUA in English 2210 GMT 31 Oct 79 OW

[Text] Bangkok, October 31 (XINHUA)--Ninety Vietnamese refugees floated in two separate boats into Laem Talumpook in Pak Phanang District of Nakhon Srithammarat, a coastal province in southern Thailand, during the past two days. According to a report of Thai news agency today, 61 of them landed at Laem Talumpook beach on October 29, and the others landed at the same area yesterday. The refugees were temporarily put up in Pak Phanang District, and will be sent to a refugees camp in Songkhla Province.

THAI PARLIAMENTARY DELEGATION METED IN HANGZHOU

OW311654 Beijing XINHUA in English 1647 GMT 31 Oct 79 OW

[Text] Hangzhou, October 31 (XINHUA)--Air Chief Marshal Harin Hongskula, speaker of the Thai National Assembly, Mrs. Hongskula, and the Thai parliamentary delegation he is leading were guests of honour at a banquet here this evening given by the Zhejiang Provincial Revolutionary Committee.

Proposing toasts at the banquet, Tie Ying, chairman of the provincial revolutionary committee, and Air Chief Marshal Hongskula expressed the hope that cooperation between China and Thailand and friendship between the two peoples would continue to grow.

Earlier today the distinguished Thai guests toured scenic places around the west lake. They also attended a religious service at the Lingyin monastery. Air Chief Marshal Hongskula and the other Thai guests, accompanied by Hu Yuzhi, member of the Standing Committee of the National People's Congress, and his wife, arrived in Hangzhou by special plane from Shanghai this morning. They were greeted at the airport by Wang Fang, vice-chairman of the Zhejiang Provincial Revolutionary Committee, Gao Feng, vice-chairman of the Hangzhou City Revolutionary Committee, and Tang Yuanbing, vice-chairman of the Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference.

XINHUA NOTES SINGAPORE MINISTER'S SUPPORT FOR THAILAND

OW270728 Beijing XINHUA in English 0705 GMT 27 Oct 79 OW

[Text] Beijing, October 27 (XINHUA)--Singapore Foreign Minister S. Rajaratnam said yesterday evening that Singaporeans must be prepared to help their neighbour--Thailand, according to a report from Singapore. Speaking at a local workers dinner gathering, Rajaratnam said: "The trouble of our neighbours is our trouble too."

A lot of "uncertain things" are going to happen in the next few years, and if the people were not careful, "What is happening in Kampuchea now can happen here (Singapore)", he said. He called on Singaporeans of all walks of life to think at least 10 years ahead of the future and work hard to maintain the country's prosperity.

I. 2 Nov 79

PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

G 1

CONTINUING REPORTAGE ON HUA VISIT TO UK

Hua, Thatcher Talks

OW020312 Beijing XINHUA in English 0200 GMT 2 Nov 79 OW

[Text] London, November 1 (XINHUA)--Chinese Premier Hua Guofeng and British Prime Minister Mrs. Margaret Thatcher continued their talks at No. 10 Downing Street here this afternoon, which were sincere, friendly, thorough-going and fruitful.

Today's talks were devoted mainly to an exchange of views on bilateral issues. Both sides expressed satisfaction with the cooperation between China and Britain in all fields, political, economic and cultural. They considered that satisfactory economic cooperation has existed between the two countries for years and that it is beneficial to both to further strengthen their economic and technological cooperation and expand trade between them. The prospect for cooperation is broad and the governments of both countries will work in an active manner to promote it.

During their first round of talks, held on October 29, the two leaders had a wide-ranging and intensive exchange of views on international issues of mutual concern, universal problems concerning the preservation of world peace and the situation in certain regions including their appraisals of the prospects for the development of the world situation. They reached a broad identity of views on many international issues and both regard that a united and strong Western Europe and a prosperous and strong China are important factors for the maintenance of world peace and security. Chief aides of the two leaders also took part in today's talks.

PRC-UK Cooperation Agreements

OW011938 Beijing XINHUA in English 1930 GMT 1 Nov 79 OW

[Text] London, November 1 (XINHUA)--China and Britain will increase cooperation in education, culture and civil air transport under two agreements signed here this afternoon. The signing of the agreements marks a new achievement in Sino-British friendly relations and cooperation.

Attending the ceremony at No. 10 Downing Street were Premier Hua Guofeng and Prime Minister Margaret Thatcher. Foreign Minister Huang Hua and Foreign Secretary Lord Carrington signed the agreement on cooperation in the fields of education and culture and then Vice-Premier Yu Qiuli and Secretary of State for Trade John Nott signed the agreement relating to civil air transport.

After the signing ceremony, the two sides toasted to the further advance of their friendly relations. Sino-British interflow and cooperation in education and culture have registered considerable growth in recent years. The five-year agreement on educational and cultural cooperation provides measures to promote cooperation in the fields of education, culture, arts, publication, public health and medicine, press, activities of youth and sports.

The two countries will promote direct contacts and exchanges between universities and other institutions of higher education and facilitate visits and exchanges of university professors, lecturers, specialists and teachers for the purpose of exchanging ideas and experience and giving lectures and teaching. They will also grant scholarships to each other's students, post-graduates and scholars and encourage and facilitate their visits on a self-paying basis for purposes of study and research. The agreement also provides for exchanges of visits of writers, composers, artists, film-makers and of other individuals engaged in creative and performing arts.

The two countries pledge to facilitate cooperation between their press, radio and television organizations as well as visits of journalists and reporters.

Under the agreement relating to civil air transport, the two sides have agreed to take all necessary steps to establish and operate scheduled air services between and beyond their respective territories in accordance with the principles of mutual respect for independence and sovereignty, non-interference in each other's internal affairs, equality and mutual benefit as well as friendly cooperation. Each side will also take all necessary steps to facilitate and assist the setting up and operation of the representative offices.

Hua on Financial Cooperation

OW011734 Beijing XINHUA in English 1725 GMT 1 Nov 79 OW

[Text] London, November 1 (XINHUA)--The visiting Chinese Premier Hua Guofeng said here today that he hoped the British financial community will play an increasing role in providing China with credits and investments so as to achieve greater results in the financial cooperation between China and Britain.

He made this statement at a luncheon here given in his honour by Gordon Richardson, governor of the Bank of England, after his return this morning from a tour of Derby. Vice-Premier Yu Qiuli who was back from his Manchester tour at the same time was also present at the luncheon.

The Chinese premier said that "the Chinese people have started a new Long March to turn China into a modern socialist country. While relying mainly on our people's own hard work and on increased production and frugality to accumulate funds needed for our modernization programme, we are prepared to accept foreign credits and investment."

On the terms of economic cooperation between China and other countries, Premier Hua stated that "China has promulgated the law on joint ventures using Chinese and foreign investment and will formulate other relevant regulations and decrees."

The governor of the bank expressed sincere welcome to Premier Hua's visit, which, he said, will promote the understanding and friendship between Britain and China. He presented the Chinese leader with a wooden box made of oak. Prior to the luncheon, Premier Hua was invited to sign a one-thousand-pound bank-note in a commemorative album of the bank. This is an honour reserved for visiting foreign heads of state, the king or queen of the U.K. and other distinguished figures. The last two such bank-notes signed in the album were signed by her majesty the Queen Elizabeth II and Prince Charles.

Hua Invitation to Thatcher

OW020116 Beijing XINHUA in English 0102 GMT 2 Nov 79 OW

[Text] London, November 1 (XINHUA)--Chinese Premier Hua Guofeng invited British Prime Minister Mrs. Margaret Thatcher to visit China, and she has accepted the invitation with pleasure, it is learned from reliable sources here today.

Hua Attends Reception

OW012208 Beijing XINHUA in English 2200 GMT 1 Nov 79 OW

[Text] London, November 1 (XINHUA)--A reception in honour of the visiting Chinese Premier Hua Guofeng was given by the Speaker of the British House of Commons George Thomas here this afternoon. Premier Hua was warmly welcomed by the host at the entrance of the speaker's house, Palace of Westminster, where he signed the book for guests of honour. The speaker ushered Premier Hua into the state rooms and introduced him to a number of guests present at the reception, including cabinet members and members of both houses of parliament. The Chinese premier had cordial chats with them. The reception proceeded in a friendly atmosphere.

London Banquet

OW020322 Beijing XINHUA in English 0302 GMT 2 Nov 79 OW

[Excerpts] London, November 1 (XINHUA)--The city of London tonight greeted Chinese Premier Hua Guofeng with its centuries-old grandeur and ceremony and the highest respect for a distinguished visitor. Men of the Livery Company of the Corporation of London, each holding a long spear and in liveries of medieval splendor, lined the way of the porch, the library corridor, at the foot of the stairs and on both sides of the entrance to the upper gallery. At 7:45 p.m., the lord mayor of London, Sir Kenneth Russell Cork, received the Chinese premier at the main entrance of the Guildhall, severely damaged during World War Two but subsequently restored to its old grandeur.

Before the dinner, a procession led by the marshal, deputation and the chairman of the reception committee and the town clerk followed by the premier between the lord mayor with the sword before him and the lord mayorette with the mace before her, went slowly round the tables to the slow hand-clapping of all the standing guests--a sign of high respect for the visiting premier.

As the dinner approached its end, the lord mayor delivered his speech of welcome, saying: "You have come to Europe, and to Britain, in friendship and in the search for better and closer understanding. We warmly reciprocate the wish that your visit will contribute to these aims.

"We have different traditions and social systems, but what is more important we have a wide range of interests in common and aspirations for a prosperous and peaceful future which both our peoples share."

He then dwelt on the growth of trading relationships between the two countries, pointing out that "this will take place against the background of an ever-deepening political relationships which we have been glad to see prospering so fruitfully in recent years."

The lord mayor then read out a resolution of welcome and tribute to the Chinese premier passed by the Common Council of the City of London.

DATE
1. 2 Nov 79

G 4

PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

In reply, Premier Hua Guofeng paid homage to the City of London as for many centuries "a major centre of international finance and trade" from which the greater London of today had grown up.

Every passage of his speech when translated into English was greeted with stirring applause. At the end of his speech, Premier Hua presented to the Corporation of London two vases specially made by the earliest Chinese porcelain town of Jingdezhen as a token of his deep appreciation of the honour accorded him.

Accepting the gift, the lord mayor said, "Thank you for the kind words you have said about the great City of London; it is made greater by your visit." He, in return, presented to the premier a plate of the coat of arms of the 12 livery companies of the Corporation of London. The Great Hall of the Guildhall resounded with applause as the gifts were held up for all to see.

Hua Banquet Speech

OW012158 Beijing XINHUA in English 2138 GMT 1 Nov 79 OW

[Text] London, November 1 (XINHUA)--Chinese Premier Hua Guofeng said at a dinner given by the lord mayor of the City of London here this evening that "hegemonist expansion and aggression must be checked if world peace and stability are to be preserved".

He declared his full agreement with Mrs. Thatcher's statement during her visit to China, "We live in an unsettled and dangerous world". This was brought about by the fact that "some people are seeking world hegemony and want to put other countries under their domination", he added. The premier called attention to the fact that the West European countries are subjected to widely acknowledged military pressure and the independence and security of many Third World countries in Africa and Asia, and particularly in the Middle East and Indochina, are threatened or have been infringed on.

He pointed out, "In recent years, hegemonists have shown a greater degree of aggressiveness and willingness to take risks. They threaten the independence and security of all countries and endanger world peace."

Recalling the events in the 1930's, he cited the farsighted Mr. Churchill's warning against the danger of a war of aggression in 1936 "We must oppose the would-be dominator or potential aggressor". "Regrettably," the premier said, "His advice was not given proper attention. The policy of appeasement eventually plunged the world into a holocaust. This tragic lesson ought to be remembered.

"We note that many farsighted Britons have taken a realistic view. They have identified the main source of international tension, and they favour effective measures to preserve peace and security. We think highly of your country's determination to energetically strengthen your defence capabilities and work for European unity. We firmly believe that a strong and united Western Europe will make a positive contribution to the preservation of world peace and stability."

Having been victims of wars and wishing to see no more, Premier Hua went on, the Chinese people, however, "know that peace cannot be ensured by good intentions alone. It takes great strength and unbending will as well. We are not against detente, but it must be a genuine detente that truly helps to defend the independence and security of all nations, and not a sham detente for camouflaging expansion and aggression. We are in favour of disarmament, but it must be a real disarmament that truly helps to reduce the threat of war, not a fake disarmament for covering up a military build-up for war. A key objective of China's foreign policy is to combat hegemonism, defend world peace and delay as long as possible the outbreak of a new world war. We will, as always, actively develop friendly relations with all countries on the basis of the five principles of peaceful coexistence and firmly support all peoples in their struggle to safeguard their countries' independence and security. We firmly believe that the changes for achieving a longer period of peace will become bigger if all peace-loving countries and people work together and act in coordination to continually frustrate the global strategic plans of the war-mongers."

He noted with satisfaction the development of China's friendly relations and cooperation with Britain and other West European countries. Stronger amicable cooperation between China and Britain "is not only in the interest of the two peoples but also serves the general interest which is to defend world peace." He said, "My visit here has convinced me more than ever that there is a wide scope for the development of amicable cooperation between China and Britain. We are determined to work tirelessly with you, our friends in Britain, to bring this about."

Premier Hua in his speech described the City of London as being for many centuries "a major centre of international finance and trade. The modern and prosperous greater London of today has grown up from here." He paid tribute to "the staunch and brave Londoners who sustained with admirable courage and indomitable spirit the devastating raids and widespread destruction of the fascist aggressors."

Turning to Sino-British relationship, he said, "we have many common interests. We both are jealous of our independence and security, want to develop our economies and need a peaceful and stable environment. These long-term factors provide a solid foundation for the growth of our friendly relations and cooperation."

SCHMIDT, THATCHER ISSUE STATEMENT AFTER BONN TALKS

OW011534 Beijing XINHUA in English 1531 GMT 1 Nov 79 OW

[Text] Bonn, October 31 (XINHUA)--West German Chancellor Helmut Schmidt and British Prime Minister Margaret Thatcher have reached agreement on all major issues at their meeting here today, said a statement released after the meeting.

Speaking to newsmen, Chancellor Schmidt expressed his understanding of the significance of the reduction of Britain's contribution to the European Economic Community budget in relation to its internal and economic policies.

West German government spokesman Klaus Boelling said after the meeting that the heads of the two governments discussed security, disarmament and the relations between the East and the West, including Premier Hua Guofeng's visit to the two countries.

West German Foreign Minister Hans-Dietrich Genscher and British Foreign Secretary Lord Carrington also exchanged views. Their talks covered the talks on the limitation of medium-range nuclear weapons, the future for Namibia, aid for Kampuchean refugees and the necessity to support Thailand. The two foreign ministers considered the Chinese premier's European tour a major political event.

XINHUA NEWSLETTERS ON PREMIER HUA'S FRG VISIT

OW311321 [Editorial Report OW] Beijing XINHUA Domestic Service in Chinese at 1514 GMT on 28 October carries an 1,100-word Bonn-dated newsletter by XINHUA reporter Chen Bojian: "Reminiscence of the Visit to West Germany," describing various aspects of Premier Hua Guofeng's visit to the FRG.

The newsletter says his talks in Bonn were highly successful and that Premier Hua's visit to the FRG "has a broad prospect for long-term future cooperation between the two countries. This is no exaggeration but an adequate assessment of the political significance of his visit. In assessing the political significance and results of the talks, as reported by the press, one thing that should be noted is that besides the full-scale talks attended by principal assistants during Premier Hua's 2-day visit to Bonn, the premier and Chancellor Schmidt also held private talks on three occasions."

The same service at 1238 GMT on 29 October transmits a 2,000-word Bonn-dated XINHUA newsletter: "Days in the FRG--Random Notes on a Visit to West Germany Accompanying Premier Hua Guofeng." The newsletter says that while in Bonn, a German youth told the unidentified XINHUA reporter that Premier Hua's visit is of great significance strategically as Europe is facing tremendous danger as well as serious pressure both politically and militarily." The newsletter describes the warmth and friendship displayed by the German people in places visited by Premier Hua. In conclusion, the newsletter says: Although the week-long visit is short, we cherish friendship for the FRG people and have achieved a deeper understanding of their worries and hopes. At the same time, this visit has also deepened German people's understanding of China."

JI PENGFEI MEETS FRENCH COMMUNIST PARTY DELEGATION

OW010748 Beijing XINHUA in English 0705 GMT 1 Nov 79 OW

[Text] Beijing, November 1 (XINHUA)--Ji Pengfei, vice-premier of the State Council and head of the International Liaison Department of the Central Committee of the Communist Party of China, has met with a cadres' delegation from the Revolutionary Communist Party (Marxist-Leninist) of France. The delegation was led by Gabriel Feriol and Samuel Laha members of the Political Bureau and secretaries of the Central Committee of the party.

During their conversation, Vice-Premier Ji Pengfei gave the French friends a briefing on the Chinese Communist Party before and after the overthrow of the gang of four as well as China's socialist programme. Present at the meeting was Feng Xuan, deputy head of the C.P.C. Central Committee's International Liaison Department.

The delegation arrived in China on October 11. They visited Hangzhou, Shanghai, Guangzhou and Beijing during their stay, and were guests of honour at a banquet given by Feng Xuan.

VICE PREMIER KANG SHIEN MEETS FRENCH GEOLOGISTS

OW301422 Beijing XINHUA in English 1217 GMT 30 Oct 79 OW

[Text] Beijing, October 30 (XINHUA)--Kang Shien, vice-premier of the State Council, met here this morning with a visiting geologists' delegation from France led by Dr G.Aubert, deputy director of the French National Institute of Astronomy and Geophysics. Cooperative Geological research between China and France in the Himalayas was discussed. Present at the meeting were Li Jianping, vice-minister of geology, and Meng Jisheng and Cheng Yugi, vice-presidents of the Chinese Academy of Geological Science. Claude Martin, the French Embassy's interim charge d'affaires, was present.

VICE PREMIER GU MU MEETS AUSTRIAN BANKERS

OW271639 Beijing XINHUA in English 1528 GMT 27 Oct 79 OW

[Text] Beijing, October 27 (XINHUA)--Vice-Premier Gu Mu this afternoon met with Dr. Heinrich Treichl, chairman of the board of executive directors of the Creditanstalt-Bankverein, and his party. Dr Treichl is also vice-chairman of the board of supervisory directors of the Austrian Control Bank and president of the Association of Austrian Banks and Bankers.

The Creditanstalt-Bankverein is the biggest state-owned bank in Austria and has had business relations with the Bank of China for a number of years. During the meeting, they discussed the possibilities of expanding trade and financial relations between the two countries. Present were Wilfried Gredler, Austrian ambassador to China, and Xiang Kefang, vice-chairman of the board of directors of the Bank of China.

HAN NIANLONG ATTENDS TURKISH NATIONAL DAY RECEPTION

OW291304 Beijing XINHUA in English 1234 GMT 29 Oct 79 OW

[Text] Beijing, October 29 (XINHUA)--Turkish Ambassador to China Oktay Cankardes gave a reception at the embassy today to mark the 56th anniversary of the proclamation of the Republic of Turkey. Among the guests present were Huo Shilian, minister of agriculture, and Han Nianlong, vice-minister of foreign affairs. Diplomatic envoys to Beijing from various countries were present.

PDRY DELEGATION RETURNS FROM MOSCOW TALKS

OW282056 Beijing XINHUA in English 1930 GMT 28 Oct 79 OW

[Text] Aden, October 28 (XINHUA)--The Democratic Yemeni party and government delegation returned here yesterday after an official visit to the Soviet Union from October 23 to 26. 'Abd al-Fatah Isma'il, general secretary of the Yemeni Socialist Party, president of the presidium of the Supreme People's Council and head of the delegation, stayed in the Soviet Union to continue his visit.

According to an Aden news agency report, a 20-year Democratic Yemeni-Soviet friendship and cooperation treaty including military clauses was signed during the visit.

Commenting on the visit, the Democratic Yemeni newspaper 14TH OCTOBER said in an editorial that the People's Democratic Republic of Yemen has developed its relations with the Soviet Union since the June 26, 1978 incident and the founding of the Yemeni Socialist Party. The signing of the treaty constitutes strategic alliance between the two countries, it added.

USSR-PDRY Treaty

OW282054 Beijing XINHUA in English 1918 GMT 28 Oct 79 OW

[Text] Cairo, October 28 (XINHUA)--AL-AKHBAR says editorially today that the Soviet-South Yemen treaty has "a military character." It is aimed at turning Aden or the whole of South Yemen into a military base where the Soviet Union would station 20,000 personnel equipped with sophisticated weapons for the fulfillment of Soviet ambitions in the area, the paper says. The treaty was concluded at the end of the visit to Moscow by President of Democratic Yemen 'Abd al-Fatah Isma'il.

The paper says that the conclusion of the treaty has "a more important strategic objective" and "through their Aden base, the Soviets aspire to control the Arab south, incorporating North Yemen in the process prior to penetration into the oil-rich gulf area. This has been one of the Soviets' oldest dreams."

It says, "Moscow is attempting to consolidate its presence in the gulf area after having failed to ensure that presence in the area through Iran or others." Another Egyptian newspaper "Al Gomhouria" says, the Soviet presence in the Arab world is "to split the Arab ranks," and "instigate the Arabs against each other."

XINHUA CITES SAUDI MINISTER ON SOVIET, CUBAN TROOPS

OW301838 Beijing XINHUA Domestic Service in Chinese 0740 GMT 28 Oct 79 OW

[Text] Beijing, 28 Oct--Riyadh; Saudi Arabian Minister of Defense and Aviation Prince Sultan ibn 'Abd al-'Aziz in a recent interview with an AR-RIYAD reporter stressed that his country opposes the presence of Soviet, Cuban or any other foreign forces south of it.

He said: Saudi Arabia will seek to cooperate and coordinate with brotherly Arab countries in studying and establishing a firm foundation for their own defense industry. He added: Under the present circumstances, Saudi Arabia urgently needs such an industry. In this field, it should not depend on others, but should strive for self-sufficiency in weapons and equip its own armed forces with modern weapons.

PRC OFFICIALS ATTEND ALGERIAN ANNIVERSARY ACTIVITIES

Algerian Ambassador's Reception

OW011642 Beijing XINHUA in English 1536 GMT 1 Nov 79 OW

[Text] Beijing, November 1 (XINHUA)--Mr. Ali Abdelaoui, Algerian ambassador to China, and Mrs. Abdelaoui gave a reception here today on the occasion of the 25th anniversary of the Algerian revolution.

Among the guests were Vice-Premier Ji Pengfei, Vice-Minister of Foreign Affairs Han Nianlong and leading members of various government departments, XINHUA NEWS AGENCY, the Beijing Municipal Revolutionary Committee and the Chinese People's Association for Friendship With Foreign Countries. Diplomatic envoys of various countries to China attended.

Special Envoy Departs

OW271756 Beijing XINHUA in English 1610 GMT 27 Oct 79 OW

[Text] Beijing, October 27 (XINHUA)--Qian Xinzong, special envoy of the Communist Party of China and the Chinese Government and minister of public health, left here by air today for Algiers. He will attend the celebrations of the 25th anniversary of the Algerian revolution at the invitation of the National Front of Liberation of the Democratic and People's Republic of Algeria.

XINHUA INTERVIEWS CHAD PRESIDENT GOUKOUNI QUADDEIMI

OW012320 Beijing XINHUA in English 223 GMT 1 Nov 79 OW

[Text] N'djamena, November 1 (XINHUA)--Goukouni Quaddeimi, president of the Chad Provisional National Unity Government pledged here today to consolidate national unity and realize national reconciliation.

In an interview with XINHUA, he said, "the principal objective we have fixed is to seek national reconciliation so as to restore peace, maintain and consolidate national unity which is under dangerous menace." "We will work without respite for this end because we are convinced that this is in keeping with the aspirations of the Chad people," he added.

On the formation of the provisional national unity government, he said that to form such a government as quickly as possible was an "important stage on the road to the general normalization of life in Chad."

Referring to the reconstruction of the national economy, he pointed out that Chad's economy had been completely destroyed as a result of catastrophic mismanagement of the former regime, natural disasters and long years of war. Appropriate solutions will be sought to recover the economy as soon as the new government is formed. On the foreign policy, he said that the Chad people desired to maintain and reinforce fraternal cooperative relations with all people who love peace and justice. He said he hoped to see the friendly cooperation between the Chad and Chinese peoples be further enhanced. Earlier, vice-president of the government Kamougue also told XINHUA in Sarh the importance of realizing national reconciliation.

I. 2 Nov 79

PRC INTERNATIONAL AFFAIRS
WESTERN HEMISPHERE

J 1

XINHUA REPORTS BOLIVIAN MILITARY COUP

OW012107 Beijing XINHUA in English 2100 GMT 1 Nov 79 OW

[Excerpt] Beijing, November 1 (XINHUA)--A military coup took place in Bolivia today against the government of President Walter Guevara Arze, according to news agencies reports from La Paz. A radio broadcast in La Paz, capital of the country, said that the coup was led by Colonel Alberto Natusch Busch, commander of the La Paz Military School. Troops had taken over the presidential palace and the defence and interior ministries, blockaded major streets leading to the presidential palace and occupied the strategic area in the center of the city, the broadcast said. It was reported that Natusch was opposed to Guevara's plan to re-shuffle the cabinet. Natusch delivered a radio speech today against Guevara. In an ultimatum yesterday, Guevara asked parliament and all principal parties to decide within 24 hours whether they were for or against the proposal about establishing a "National Unity Government" which all parties of the country would take part in. All the parties had not joined the present cabinet. It is not clear whether the coup has the support of the commander-in-chief of the armed forces and whether it has been successful.

MEXICO DISTRIBUTES STATE, PLANTATION LAND TO FARMERS

OW261652 Beijing XINHUA in English 1627 GMT 26 Oct 79 OW

[Excerpt] Mexico City, October 25 (XINHUA)--In compliance with a presidential decision, the Mexican Ministry of Agrarian Reform yesterday distributed more than 60,000 hectares of land to over 400 farmers. The land, which is in the states of Nuevo Leon, Quintana Roo and Baja California, either belongs to the state or comes from plantations which have fallen desolate.

MEXICO'S PRI NATIONAL ASSEMBLY OPPOSES FOREIGN DOMINATION

OW281233 Beijing XINHUA in English 1213 GMT 28 Oct 79 OW

[Text] Mexico City, October 27 (XINHUA)--The ruling Revolutionary Institutional Party of Mexico declared at its 10th national assembly that it "opposes political, economic and cultural penetration and all forms of foreign domination under whatever signboard or from whatever quarters." It was reported that the assembly, which was held here on October 25 and 26 and attended by several thousand delegates, elected Carvajal Morena and De Las Fuentes Rodriguez to be the party's president and general secretary respectively.

Referring to international problems, a document adopted at the first session of the assembly notes that the party "will strive for the termination of all forms of domination and intervention, including the presence of foreign military enclaves in countries of America" and "for the effective exercise of complete and permanent sovereignty by all the countries over their natural resources and all their economic activities". The document stands for the establishment of a just and equitable relationship between the prices of exports of the developing countries and the prices of their imports from the developed countries. It calls for the formulation and application of an international code of conduct of transnational corporations so as to impede their interferences in the internal affairs of the countries where they engage in their operations. On domestic affairs, the document holds that the petroleum of Mexico should contribute to the integral development of the nation. The Revolutionary Institutional Party has been the ruling party in Mexico for half a century.

DATE
I. 2 Nov 79

PEOPLE'S REPUBLIC OF CHINA
PRC MEDIA ON TAIWAN AFFAIRS

K 1

PRC ORGANIZATION OFFICIAL ISSUES APPEAL TO TAIWAN

OW311037 Beijing in Mandarin to Taiwan 1500 GMT 28 Oct 79 OW

[Text] On 22 October, at the second congress of the Taiwan Democratic Self-Government League, Cai Xiao, chairman of the league, told this station's reporter that he hoped that compatriots on Taiwan would unite to take the road of reunifying the motherland and make valuable contributions to Taiwan's early return to the motherland.

Cai Xiao said: The current congress of the league is a meeting of historical significance. Representatives of 7 local organizations from 19 provinces and municipalities and specially invited representatives from other places are gathered in Beijing for a happy reunion and to discuss important league affairs. At this time we think all the more about our elders, brothers and sisters in our native place. I want to take this opportunity to extend my warmest regards to compatriots in our native place.

Cai Xiao said: For several hundred years our Taiwan compatriots have suffered from foreign aggression and humiliation, and they hope more than anything else for the motherland to become powerful. Realizing the four modernizations is in the basic interests of the people on Taiwan and the common desire of all Chinese people including compatriots on the mainland and Taiwan. Most league members and the Taiwan compatriots with whom they have connections are intellectuals with professional training, and they all want to contribute their efforts to the modernization of the motherland. Many have already made outstanding achievements at their own posts.

On the question of Taiwan's return to the motherland to accomplish the country's reunification, Cai Xiao said: On this question, the principles and policies of the government of the motherland are clear and reasonable, and the present position, interests and future of the Taiwan authorities and Taiwan people have been given full consideration. The representatives attending the congress have unanimously voiced their support for the principles and policies and made many positive suggestions for their implementation. They hold that 30 years of separation have resulted in many misunderstandings and doubts among those on Taiwan about conditions on the mainland. It is the duty of the Taiwan Democratic Self-Government League to play a role as a bridge and a link, to help promote friendly relations between the mainland and Taiwan and to increase mutual contacts and understanding. For example, our flesh-and-blood compatriots on both sides can communicate with each other and organize mutual contacts among the people, such as tours, visits to relatives and friends, lectures, trade, locating relatives and friends, and so forth.

We hope that compatriots on Taiwan will, under the banner of patriotism, unite and take the road of reunifying the motherland, oppose all actions keeping the motherland divided and make valuable contributions to Taiwan's early return to the motherland.

We also hope that the Taiwan authorities will recognize the situation, treasure national interests, make up their minds quickly and join us in advancing hand-in-hand toward the reunification of the country and the nation.

CCPCC, STATE COUNCIL ON SHIFT TO SUPPLY, DEMAND PRICING

OW011320 Beijing XINHUA in English 1256 GMT 1 Nov 79 CW

["Prices of Rural and Miscellaneous Products in China To Be Adjusted by Market Supply and Demand" --XINHUA headline]

[Text] Beijing, November 1 (XINHUA) --The prices of more than 10,000 farm, rural sideline, handicraft and other miscellaneous products in China are no longer to be fixed by the government but adjusted according to market supply and demand, announced a circular issued jointly by the Central Committee of the Chinese Communist Party and the State Council. This decision will gradually go into effect throughout the country. The over 10,000 products account for about one fifth of the total value of the commodities on sale in China (major means of production and industrial materials are not on sale but distributed by government).

The state fixes the prices of the people's daily necessities such as cereals, cooking oil, meat, cotton, textiles and coal.

As for the miscellaneous farm, sideline and other products of less importance, their production, marketing and prices cannot be fixed by an all-inclusive state plan since they cover a exceedingly wide range of goods and most of them are produced by peasants from their private farm plots, or in their homes as domestic sidelines, or are turned out by the handicraft industries. In future, their prices are to be agreed upon, according to the demand and supply, between the state commercial departments and the producers, including collective as well as individual producers, while the prices of some of them will be agreed upon directly between the producers and the consumers at fairs. Products involved include some types of paper, ink, brushes and other stationery, locks, knives, scissors and other metalware, some plastic and enamel utensils, fresh and dried fruits, spices, plaited and woven goods made of bamboo, rattan, palm leaves and wild grass, and other handicraft products.

In fact such a pricing policy for these categories of products is not new in China, a spokesman of the State Bureau of Commodity Prices pointed out. Before 1957, the prices of such categories of products were adjusted according to market supply and demand and this proved to be beneficial to production and helped increase the variety of products.

By 1957, all private industry, commerce and handicrafts had been switched over to state or joint state-private ownership. The spokesman pointed out that after 1957, the prices came under more rigid control. Under the ultra-left line of Lin Biao and the gang of four, in some areas peasants' private farm plots and domestic sidelines were banned as "remnants of capitalism". This resulted in reduced rural sideline and miscellaneous products and higher prices. The restoration of the pricing policy for these miscellaneous products will give the producers greater flexibility, help promote production and increase the variety of goods, and is expected to lower prices in the long-run.

Big seasonal trade fairs, wholesale commodity fairs, retail peddlers and centres for commercial departments and producers to make deals will be restored to promote commodity circulation and rural and urban trade.

ROUNDUP ON ADJUSTMENT OF COMMODITY PRICES ON 1 NOVEMBER

SK020844 [Editorial Report SK] The following is a roundup of reports broadcast by PRC regional radio stations on the raising of commodity prices.

East Region

Jinan Shandong Provincial Service in Mandarin at 2300 GMT on 1 November carries a consolidated report on market price surveys conducted by Pingdu and Mouping counties and by the Second Commercial Bureau of Jinan Municipality. The surveys have revealed several cases of unauthorized price hikes and covert acts of raising commodity prices, such as selling low-quality products as good ones. All these have been dealt with appropriately, says the report.

North Region

Tianjin City Service in Mandarin at 2330 GMT on 1 November carries a report stating that commercial departments in the municipality warmly support the policy of raising the prices of the eight nonstaple foods, which was put into effect on 1 November. They also pledge to insure the quality of commodities, the report adds.

The same service also broadcasts three short reports on actions taken by some commercial units in response to the price rises. One report states that companies under the second municipal commercial bureau try to avoid increasing the prices of those food items made from any of the eight nonstaple foods whose prices have gone up. The increases in costs are to be covered by reducing the profit rates if at all possible. Another report says that the Tianjin Food Service Company has formulated price control regulations. According to the regulations, no retail department under this company is allowed to raise the price of any item it sells without proper approval. The regulations also prohibit any attempt to lower the quality of products. The third report says that the Nankai District vegetable and nonstaple food company acts strictly on the decision made by the CCP Central Committee and the State Council on raising the prices of the eight nonstaple foods, thereby insuring implementation of the price policy.

Shijiazhuang Hebei Provincial Service in Mandarin at 1100 GMT on 1 November carries a report on the raising of selling prices of the eight nonstaple foods in Hebei Province. The report states that the price rises, which go into effect on 1 November, were arranged by the provincial CCP and revolutionary committees in accordance with the circular issued jointly by the CCP Central Committee and the State Council. The report gives the new retail prices of some of the commodities on the market.

The same service also broadcasts a recorded speech by (Chen Pin), vice chairman of the Hebei Provincial (?Planning Commission), entitled "A Major Measure Which Takes Into Consideration All the Three Aspects--Production, Circulation and Consumption of Commodities." The speech deals with the raising of prices of the eight nonstaple foods and the payment of allowances to workers to cover the price rises.

Hohhot Nei Monggol Regional Service in Mandarin at 1100 GMT on 1 November broadcasts a report stating that a forum was held on 1 November in Hohhot to discuss the recent decision made by the CCP Central Committee and the State Council on raising the prices of the eight nonstaple foods, paying allowances to workers to cover the price rises and giving a wage increase to 40 percent of the workers in the country.

The forum was attended by representatives from all walks of life who unanimously praised this decision as an expression of concern about the people's everyday life and the superiority of the socialist system. (Wang Xinmin), deputy director of the Hohhot Municipal Bureau of Commodity Prices, is quoted as saying that anyone who engaged in graft and embezzlement by taking advantage of the price rises should be dealt with according to the law.

Northeast Region

Shenyang Liaoning Provincial Service in Mandarin at 1100 GMT on 1 November carries a report stating that effective 1 November, the prices of pork, beef, mutton, poultry, eggs, vegetables, aquatic products and milk are raised in Liaoning Province on the basis of the joint circular of the CCP Central Committee and the State Council. At the same time, the report adds, allowances will be given to workers to cover the price rises.

Changchun Jilin Provincial Service in Mandarin at 1100 GMT on 1 November broadcasts an article by an identified writer named (Gao Xiang), entitled "On the Adjustment and Stabilization of Commodity Prices." The article published in the 1 November JILIN RIBAO, points out the need for raising the prices on some commodities and calling for earnest implementation of the related policy and principles set up by the CCP Central Committee and the State Council with regard to the question of price adjustment versus price stabilization. The article says that these two things are not contradictory. It states that price stabilization here means maintenance of the prices in general at a relatively stable level, and this can be achieved if the prices of basic consumer goods and the charges of public utilities are not increased and if there is no big rise in commodity prices as a whole.

The same service broadcasts a report stating that Changchun Municipality has conducted a market price survey which has revealed several cases of unauthorized price hikes and covert acts of raising commodity prices, such as selling low-quality products as good ones. Appropriate punishment or other treatment have been given in these cases.

COMMERCIAL DEPARTMENTS' LOSSES DUE TO PRICE POLICY

OW012044 Beijing XINHUA Domestic Service in Chinese 1150 GMT 29 Oct 79 OW

[Text] Beijing, 29 October--XINHUA reporters have learned from the Ministry of Commerce that since last March when purchase prices for pigs and eggs were raised but market prices not readjusted, the commercial departments have suffered serious losses from the abnormal situation of paying purchase prices higher than the market prices.

According to estimates, the commercial departments are now losing some 28 yuan for each pig sold and losing approximately 20 sen from each jin of eggs sold. From April to October, losses amounting to 2.8 billion yuan have been incurred just from the selling of pigs and eggs throughout the country's food system.

Because of suffering greater losses from selling more pigs and eggs--a situation resulting from the abnormal pricing system--the commercial departments in many places are unwilling to purchase and sell pigs and eggs. Some food procurement stations have adopted the coupon system to limit the purchase of pigs from the peasants, and some have even suspended procurement. Fujian, Jilin, Gansu and other provinces had plans to import more meat to improve the diet of the masses of the urban and industrial and mining areas, but they have now suspended their plans due to the relatively high financial losses. Some places, in fear of losing money, have even suspended supplying meat to restaurants.

The abnormal pricing situation has given rise to many irrational phenomena in the meat and egg supply: Places which consumed greater quotas of meat and eggs enjoy greater subsidies from the state, and places which consume less enjoy smaller subsidies. Whoever consumes more meat and eggs enjoys greater state subsidies, and whoever consumes less enjoys smaller subsidies. As there is no planned supply of meat and eggs in cities and townships at and below the county level, workers cannot enjoy state subsidies and have to spend more money to buy meat and eggs in trade fairs.

The abnormal pricing situation of pork and eggs has also given rise to speculation, profiteering, corruption and thievery and created many problems in market management. Some units have sold their pigs--pigs originally retained for their own consumption--to the state and then purchased inexpensive meat from the store. Selling a pig in this way, they have both the meat and a profit of some 30 yuan. Some people have even made a profit by selling the eggs they have purchased from the store.

STATE COUNCIL ISSUES CIRCULAR ON MEANINGLESS SPENDING, BONUSES

OW020627 Beijing Domestic Service in Mandarin 2230 GMT 29 Oct 79 OW

[Text] This station has learned from the paper FINANCIAL FRONT [CAI MAO ZHAN XIAN BAO] that the State Council recently issued a circular strictly prohibiting meaningless spending and aimless allocation of the year-end bonus. The circular calls on all localities and departments to immediately end this practice.

The circular states: The work of readjusting our national economy has gradually been carried out with certain achievements since early this year. However, many problems and difficulties still exist which must be solved. Certain localities, departments and units have ignored the overall interest of the country and violated law and discipline by engaging in such practices as (?arbitrarily spending) state revenue and aimlessly allocating the year-end bonus and subsidy. Such practices are extremely harmful to the implementation of the policy of readjusting, restructuring, consolidating and improving the national economy and the struggle to gradually realize the four modernizations. In the more than 2 months remaining in 1979 efforts should be made to conserve all possible funds and resolutely prevent any form of rush spending.

The circular urges all localities, departments and units to practice careful calculation, strict budgeting and economy on all expenditures. Turning to strict control of capital construction funds, the circular states that with the exception of workers' wages and necessary maintenance expenses, the finance administrative departments will stop allocating funds to all construction projects which the state plan has decided to discontinue or postpone. The construction projects approved by the state should also pay attention to practicing economy and preventing aimless spending.

The circular calls on all localities to strictly implement the bonus system and the criteria for giving the bonuses as laid down by the state and do a good job in resolutely preventing and correcting the practice of aimlessly allocating bonuses and subsidies.

GONGREN RIBAO DEFENDS MATERIAL INCENTIVES TO WORKERS

HK311214 Beijing GONGREN RIBAO in Chinese 13 Oct 79 p 3 HK

[Article by Shao Min [1421 3046]: "This Mouth Must Not Be Shut!"]

[Excerpts] Although it has been 3 years since the downfall of the "gang of four," there is still a great deal of resistance to the implementation of the principle of to each according to his work. [paragraph continues]

By reprinting on 30 August a Shanghai JIEFANG RIBAO newsletter entitled "Why Do Such Good Deeds Benefiting Both the State and People Get Nowhere?" RENMIN RIBAO again calls our attention to how seriously the ultraleftist line is still exerting its pernicious influence. Workers at a leather shoe factory in Shanghai spent some of their spare time making sandals from leftover bits and pieces of leather, satisfying a need in the market for this product and increasing state revenue and workers' income at the same time. However, the supervisory organization at the higher level considered this a dreadful "breach" which must be blocked. Why? "To bring the workers' enthusiasm into play, we must not rely solely on money." How much did the workers get for it? In July, 71 workers took part in this overtime work, earning an extra 418 yuan on a piece-rate basis. A responsible comrade from the wages department of the Shanghai Municipal Bureau for the Handicraft Industry said: "We must mobilize the workers to contribute more to the state, but we must not solely rely on money to bring the workers' enthusiasm into play. We must not haggle over every yuan of our income or keep an eye on money only." In fact, the workers had already made more contributions to the state. Because of their overtime work, the state coffers gained an extra 1,683 yuan in profit and tax turned over by the factory. This extra sum of money is four times that paid to the workers as overtime wages and out of every 100 yuan of extra income from such overtime work, 81 yuan goes to the state and only 19 yuan is given to the workers. Nevertheless, that responsible comrade in charge of implementing wage policies grumbled about the workers getting too much. As a result, no such overtime work was allowed in August. Who cares about the shortage of sandals on the market? Who cares about the reduction in state revenue? We will be able to win the struggle to oppose revisionism and prevent its emergence so long as the workers do not get more money.

As a matter of fact, we are no strangers to such a view, nor is it a recent invention. Attacks on "material incentive" and "money in command" have a long history. We heard about this as early as 1958. That year, in his article "Do Away With the Bourgeois Concept of Legal Rights," Zhang Chunqiao frantically attacked the socialist wage system and the principle of distribution according to work. He said: "To put it bluntly, and plainly, it is equal to the old saying: 'Money Makes the Mare Go!'" This denunciation of the principle of distribution according to labor alleged, "Who among the tens of thousands of people who spent dozens of years in armed struggle and crossed the snow-covered mountains and marshes on the 25,000-li Long March ever received any salary? Could we have won victory in the anti-Japanese war, the liberation war and the war to resist U.S. aggression and aid Korea if we had relied on salaries as a material incentive? This kind of ultraleftist discourse was indeed very high-sounding. Who dared to oppose such high-flown and ultrarevolutionary remarks? However, no sooner had Zhang published his article than the Chinese people were confronted with severe economic difficulties. That is why everyone nowadays detests such ultraleftist stuff so greatly.

It has been 3 years since the downfall of the "gang of four," but the struggle revolving around the principles of distribution according to labor has not come to an end. The pernicious influence of the "gang of four" in this respect is far from eliminated. Under this influence, the thinking of some comrades is rather ossified; they are apt to set our revolutionary predecessors' spirit of sacrifice against money, consciously or unconsciously mistaking ultraleftist remnant poison for truth.

One very important aspect of our ideological and political work on the economic front is to say no to political empty talk and make everyone conscientiously observe objective economic laws. If we want to increase production and develop the economy, we must follow these laws. Then what kind of a distribution system is suitable for the socialist system? How should distribution be conducted? According to capital? work? or the ability to deliver empty talk? [paragraph continues]

There must be a distribution system, but a distribution system based on capital is not feasible because we have already abolished the system of exploitation. A system of distribution based on the ability to deliver empty talk will not do either, for empty talk will not do either, for empty talk will not create wealth. The only possible system of distribution is that of distribution according to work. He who can contribute more to society will receive more in reward. This is the distribution system most rational and fitting for the conditions under socialism. This is an objective law independent of the people's will. Once it is violated, social production will suffer.

It is at least a logical error to draw any inference on the pattern of the economic life of a society from the mental attitude of certain individuals. The mental attitude of certain people is one thing, and the economic system of the entire society is another. It is ludicrous to use the spirit of sacrifice on the part of some advanced individuals as proof of the alleged unsuitability of the system of distribution according to work for a socialist society. Setting the Red Army's Long March against the system of distribution according to work is tantamount to lumping together revolutionary wars and economic construction. Fighting on the battlefield is different from carrying out production, and we certainly cannot employ economic means on the battlefield.

We have been engaged in economic construction for the past 30 years and have gained many experiences and lessons. One of the important lessons we have learned tells us that we cannot get a thing done just by affecting a high moral tone; we must observe economic laws in our work. It is a pity that high-flown tones like those mentioned above have not yet completely disappeared. Some people are still saying that for workers to receive wages or bonuses according to their work means "working for money" and that for enterprises to pay their workers wages and give them bonuses according to their work means "paying for workers' enthusiasm with money." In a word, money has become "the root of evil." It is said to be very abominable and terrible. Some people hate it very much while some others are very much afraid of it. Those who are afraid of money and hold it at arm's length actually fear that capitalist ideas will sneak into their minds; those who feel money so detestable and curse it at the slightest opportunity are doing this just to present themselves as "leftists."

Our renminbi represents our socialist production relations and is a powerful weapon for the construction of socialism and the development of our national economy, and is a very good means for distribution according to work and for improving the people's livelihood. A worker must receive pay for his work and he is paid in money. Hence, the more work he does, the more money he will get. What is despicable about this? In the present period, people still have to work for a living and no one can survive on nothing. Our workers must get money to pay their living expenses. If workers do not want any money, what is the use of the wage departments? We may as well put it more plainly. Currently, not only the workers but also the cadres need money. That responsible comrade from the wage department of the Shanghai Municipal Bureau for the Handicraft Industry is no exception, for he too has to pay his living expenses. It is his duty to find ways to increase production, state revenue and the workers' incomes. All such things conducive to the interests of the nation and people are his responsibility. However, in actual fact, he would rather the state and the workers receive less. Why? Something he said hit the nail on the head: "If they are allowed to set such a precedent, things will get out of hand." What will "get out of hand?" If the workers are allowed to use their spare time to work and produce more goods, the only result will be increases in accumulated funds for the state and in the workers' incomes and more consumer goods to further satisfy market needs. Is this not an excellent "precedent"? In fact, establishing such a "precedent" can only mean abiding by economic laws. And this is the trend of the times and the desire of the people. This precedent must be set. Any responsible cadre seeking to go against economic laws can only create temporary difficulties for us; in the long run, nobody can resist the trend of the times. If anyone simply insists on resisting the trend, it is he, I am afraid, who will end up in failure.

GUANGZHOU TRADE FAIR REPORTS RECORD EXPORT TRANSACTIONS

OW020820 Beijing XINHUA in English 0731 GMT 2 Nov 79 OW

[Text] Guangzhou, November 2 (XINHUA)--The volume of export transactions concluded so far at this autumn's Guangzhou (Canton) fair is much greater than for the corresponding period of any previous fair. The Guangzhou fair is being held from October 15 to November. Compared with previous periods, the volume of transactions in metal and mineral products increased by 90 percent, chemical products by 60 percent and machinery and equipment by 30 percent.

Native and animal products including goatskins, green tea, down garments, carpets, rabbit-skins and rosin are selling well. Drawnwork, pearls and jewels, ornaments, bamboo and rattan woven goods are also popular. Daily necessities, stationery and sport goods are reported to be boing well.

LEADERS ATTEND SCIENCES ACADEMY ANNIVERSARY TEA PARTY

OW011321 Beijing Domestic Service in Mandarin 1200 GMT 1 Nov 79 OW

[Text] This station has learned that the Chinese Academy of Sciences held a grand tea party at the Great Hall of the People this afternoon to mark the 30th anniversary of the founding of the academy.

Party and state leaders, including Deng Xiaoping, Li Xiannian, Fang Yi, Deng Yingchao, Hu Yaobang, Gu Mu and Bo Yibo, attended the tea party and had photos taken together with over 700 sciertists, scientific and technological workers and staff members of departments concerned.

Comrade Deng Xiaoping, who spoke at the tea party, earnestly hoped that veteran scientific workers would do their best to cultivate, recognize and employ qualified personnel and assign talented personnel to suitable positions. He sincerely hoped that China's science would prosper and that China would have more qualified personnel.

The tea party was presided over by Fang Yi, president of the Chinese Academy of Sciences. In his speech, Comrade Fang Yi said: Since the founding of new China, our party and government have started to build the Chinese Academy of Sciences. This is an eloquent proof that the party and government are far-sighted and have paid good attention to scientific work and respected scientists. He said: We should be good at summing up historical experience and do our work in a still better way in the future. He added: So long as we work with concerted efforts, cooperate with each other, concentrate our energy and work hard, I am convinced that we can certainly make even greater achievements.

Comrade Hu Yaobang who also spoke at the tea party, said: In our national history--from the ancient and contemporary periods to the present, we have seen scientists who worked tirelessly and courageously to climb up the scientific summit. They have made outstanding contributions to the civilization of mankind. We deeply cherish their memory. He said: Due to sabotage by Lin Biao and the gang of four, the scientific level of our country at present is still very low. However, we are firmly convinced that, under the leadership of the party Central Committee, if the people of the whole country work hard with one heart and one mind and firm determination, we can certainly reach the summit of modern science in the world.

Comrade Hu Yaobang hoped that the veteran scientists of our country would actively cultivate the younger generation, as this is an important task entrusted to us by history. He hoped that middle aged and young scientists would modestly learn from veteran scientists, work dauntlessly, as Marx said, and struggle hard to catch up and surpass the advanced level of science in the world.

Comrade Hu Yaobang said: The party Central Committee is the headquarters for our work to climb up to the scientific summit in the world, and the Chinese Academy of Sciences is the general staff department for this work. Therefore, the Chinese Academy of Sciences should draft well-conceived scientific development plans, unite scientific workers of the whole country and actively create conditions for their climbing up to the summit of modern science in the world.

Yan Jici, vice president of the Chinese Academy of Sciences, also spoke at the meeting. He recalled the history and development of the Chinese Academy of Sciences and scientific work in China during the past 30 years and gave his views on how to continue running the Chinese Academy of Sciences well.

Those who spoke at the meeting also included noted scientists Lu Jiaxi, Li Kun, Yan Dongsheng and Lin Lanying. Zhang Jinfu, former leading member of the Chinese Academy of Sciences, also spoke at the meeting.

Also attending the tea party were former leading members of the Chinese Academy of Sciences, responsible members of various units under the jurisdiction of the Chinese Academy of Sciences, responsible members of (?academic departments) [Xue Bu] in Beijing and scientists of various research institutes as well as all delegates attending the enlarged meeting on the work of the Chinese Academy of Sciences and the National Scientific and Technological Work Conference.

Responsible persons of departments concerned of the CCP Central Committee and the State Council were also invited to attend the tea party.

Deng Xiaoping's Address

0W020626 Beijing XINHUA Domestic Service in Chinese 1757 GMT 1 Nov 79 OW

[Text] Deng Xiaoping, vice chairman of the CCP Central Committee and vice premier of the State Council, said today at a tea party to mark the 30th anniversary of the founding of the Chinese Academy of Sciences: Qualified personnel are hard to come by. We should make an effort to train and discover qualified personnel and employ them effectively. Comrade Deng Xiaoping said: We are gathered here today in solemn commemoration of the 30th anniversary of the founding of the Chinese Academy of Sciences to sum up our past experience and look forward to the future. It is hoped that our scientific work will flourish and more new talent will be cultivated. He said: The prospects for science developing in our country are great. We have so many old, middle-aged and young scientists; also, we have opened our doors to exchanging experience with various countries in the world and we Chinese people are not dull-witted. Although numerous difficulties are ahead of us, we can surmount them step by step. Our scientific work has a great future.

He pointed out emphatically: The party and state leadership at all levels should create proper conditions in which scientific workers can work and study effectively and should do their utmost to solve existing problems affecting scientific workers' livelihood and work. He hoped that he would continue to be a good logistics officer for everyone.

Comrade Deng Xiaoping said: We should cultivate and recognize qualified personnel. In this regard, we should do away with the practice of ranking personnel solely according to seniority. Middle-aged personnel are the backbones in all fields of endeavor. We should cultivate and employ them boldly and assign them to suitable positions. Leading members at all levels should make an effort to solve difficulties encountered by middle-aged personnel in their work as well as in their livelihood, so that they can dedicate their energy to making still greater contributions while they are still capable of doing so.

He said: The development of science in the world has shown that the middle-aged and young are always among those who have made outstanding contributions in the field of science. As long as an individual contributes and as long as his performance conforms to the criteria set for researchers and professors, we should promote him to the position of researcher or professor and confer on him the suitable academic degrees and technical job title, even if he is only 30 years of age.

He said: We should set up the system of conferring academic degrees and technical job titles as quickly as possible because it is conducive to recognizing qualified personnel.

In conclusion, Comrade Deng Xiaoping, raising his tea cup, said: Instead of wine, let us drink tea to wish that our country's scientific work will prosper with more new talent being cultivated. Ganbei!

FURTHER REPORT ON ACTIVITIES COMMEMORATING LI DAZHAO BIRTH

OW011453 Beijing XINHUA Domestic Service in Chinese 1456 GMT 29 Oct 79 OW

[Text] Beijing, 29 October--People of the capital held various activities to mark the 90th anniversary of the birth of Li Dazhao, one of the founders of the CCP, an outstanding communist fighter and a great proletarian revolutionary.

The Chinese Academy of Social Sciences held a report meeting at the capital theater today to commemorate the 90th birth anniversary of Comrade Li Dazhao. Attending the meeting were Xu Deheng, vice chairman of the NPC Standing Committee; Liu Lantao and Li Weihan, vice chairmen of the CPPCC National Committee; Li Baohua, eldest son of Li Dazhao; Cheng Zihua, Zhu Muzhi, Wang Zhongfang, Li Yunchang, Wu Guang and Zhu Yiping, responsible persons of various departments; and over 1,200 representatives of various circles of the capital.

Zhang Youyu, vice president of the Chinese Academy of Social Sciences, presided over the meeting. Li Xin, head of the Modern History Research Institute of the Chinese Academy of Social Sciences, delivered a report entitled "learn from Li Dazhao, Study Li Dazhao." Citing a host of vivid facts, the report gave a systematic account of Li Dazhao's life and spoke highly of Li Dazhao's important contributions and immortal deeds in propagating Marxism, leading the "May 4th" movement, founding the CCP, establishing the revolutionary united front and leading revolutionary struggles in vast areas in north China. The report also warmly praised Li Dazhao's noble spirit in looking death calmly in the face while being cruelly tortured in jail.

In his report, Li Xin said that Li Dazhao was one of China's earliest pioneers of Marxism and the communist cause and an honored revolutionary martyr. But when the "gang of four" held sway, not only activities commemorating Li Dazhao were banned, but Li Dazhao himself was vilified as a renegade. Studies on Li Dazhao's life and thinking were banned as though they were a forbidden zone in research on party history.

Now that the "gang of four," who turned history upside down, has been overthrown and democracy in politics and academic studies has begun to gradually flourish across the nation, we must, while studying Li Dazhao, take a scientific approach of seeking truth from facts.

Only by this scientific approach can we write history based on genuine historic facts that are of real historic value and able to stand the test of time. In the final analysis, our study and commemoration of Comrade Li Dazhao are for the purpose of learning from him. We want to learn from his revolutionary spirit in order to serve the four modernizations and struggle for the communist cause. Li Dazhao's revolutionary spirit was very admirable. He dedicated himself wholeheartedly to the party and the people and worked hard and faithfully for the revolution all his life. His character was noble and his spirit pure. He promoted self-cultivation and frequently lectured on revolutionary ethics. His lifelong motto was "uphold morality and justice with an iron will." He fulfilled his motto with his lifelong deeds and words and, finally, with his own blood. Comrade Li Dazhao left us a rich spiritual heritage which is worth our serious study. Li Dazhao will live in the hearts of the Chinese people generation after generation.

More than 800 teachers, staff and workers of the Beijing University where Comrade Li Dazhao had worked and struggled held a memorial meeting at the university on 25 October. Comrade Li Dazhao's eldest son Li Baohua, his second son Li Guanghua and his relatives Comrades Li Yunchang and Jia Zhi were invited to attend the memorial meeting.

Comrade Li Baohua spoke at the memorial meeting. Xiao Chaoran, deputy head of the Teaching and Research Office of Marxism-Leninism of the university, systematically recounted the revolutionary life of Comrade Li Dazhao at the meeting. Gao Tie, deputy secretary of the party committee and vice president of the university, also spoke at the meeting. He called on all teachers and students to learn from Comrade Li Dazhao's revolutionary characteristics and infinite loyalty toward Marxism-Leninism and socialism, carry forward his behests and work hard to promote the realization of socialist modernization in China and to build the university into a teaching and scientific research center. The university library held an exhibition to introduce the immortal deeds of Comrade Li Dazhao.

To encourage the people to carry out the behests of revolutionary martyrs and follow and develop Comrade Li Dazhao's revolutionary spirit of dedicating his whole life to the cause of communism, the China Revolutionary Museum and the Preparatory Office of the Capital Museum jointly sponsored an "Exhibition to Commemorate the 90th Anniversary of the Birth of Comrade Li Dazhao," which has formally opened at Cibei Cottage in Taoranting Park. Articles in the exhibition room include inscriptions commemorating Comrade Li Dazhao written by proletarian revolutionaries of the older generation, including Zhu De, Lin Boqu, Wu Yuzhang, Chen Yi and He Xiangning while they were still alive. Also on exhibition was an inscription written recently by Comrade Ye Jianying commemorating Comrade Li Dazhao's 90th birth anniversary. The Cibei Cottage, where Comrade Li Dazhao used to organize activities of the Chinese youths society, has been rebuilt and is open to the public. The tombs of Comrade Li Dazhao and his wife Zhao Renglan at the Wananshan Cemetery near Xishan of Beijing City were also refurbished for the public to pay respects.

The People's Publishing House is making preparations for editing and publishing the "Collected Works of Li Dazhao." It will be published in three volumes consisting of about 1 million words and will be completed by the end of this year. The People's Publishing House and the China Revolutionary Museum have also solicited Comrade Li Dazhao's comrades-in-arms, students and relatives to write memoirs and to have a collection made of major memoirs which were published in the past for the purpose of publishing a book "In Rememberance of Li Dazhao." Earlier, the People's Publishing House published a "Biography of Li Dazhao" and reprinted "The Collected Works of Li Dazhao."

GUANGMING RIBAO ON STRENGTHENING GOVERNMENT DURING MING DYNASTY

HK290820 Beijing GUANGMING RIBAO in Chinese 16 Oct 79 p 4 HK

[Article by Chen Wutong [7115 2745 2717]: "On Zhu Yuanzhang's Measures To Tighten Up the Government Machinery"]

[Text] After the peasants' war at the end of the Yuan Dynasty, the newly established Ming Dynasty faced a grim situation of economic depression and political upheaval. Its government was unstable. In view of this state of affairs, Zhu Yuanzhang put forward the policy of "recuperation and rehabilitation." However, the officials at that time adhered to the various decadent practices of the officials of the Yuan Dynasty, violated law and discipline and levied exorbitant taxes. This not only hindered the consolidation of the Ming Government and encroached on the economic benefits of the Ming Dynasty but also imposed an extra burden on the peasants, made them poor, endangered their lives and aroused their strong resistance. Some peasants had to leave their homes and seek a living elsewhere, while others took up arms again and waged an armed struggle. According to "Substantial Accounts of the Taizu Emperor of the Ming Dynasty," during Zhu Yuanzhang's reign, people of all nationalities launched uprisings on more than 180 occasions. In some of these uprisings 100,000 to 200,000 people took part and the struggle lasted for a few decades. The corruption and ruthlessness of the civilian and military officials were the main causes of these uprisings. Zhu Yuanzhang brought up this question in an instruction which he issued in the 21st year of his reign: "Recently some rebels have surrendered and were questioned by the courts. They all confessed that they had fled and hid in the woods and formed themselves into gangs of robbers because the government officials were corrupt and the garrison officers and troops disturbed public order" ("Substantial Accounts of the Taizu Emperor of the Ming Dynasty," Vol 190). Government corruption was a serious obstacle to the enforcement of the policy of "recuperation and rehabilitation" and the consolidation of feudal rule. Measures had to be adopted to tighten up the government machinery.

Zhu Yuanzhang, once a leader of the peasants, knew that the peasants were provoked by the corrupt officials and launched large-scale uprisings during the last years of the Yuan Dynasty. He personally felt the immense power of the peasants' uprisings and learned an impressive lesson from the downfall of the Yuan Dynasty. He said: "I am in awe of the people. If I do something wrong, I will be going against the will of heaven and lose the people's support. If I make mistakes, I will incur the wrath of heaven and the opposition of the people. I will then be in great danger and will certainly perish. Whenever I think of this, I am on the alert" ("Substantial Accounts of the Taizu Emperor of the Ming Dynasty," Vol 28). Corruption among officials always worried Zhu Yuanzhang. To prevent the Ming Government from repeating the errors which led to the downfall of the Yuan Dynasty, he decided to strictly tighten up the government machinery.

After the founding of the Ming Dynasty, Zhu Yuanzhang reformed the structure of the state at all levels and strengthened the system of concentrating power in the central government. The administrative, military and supervisory organs were all independent and their functions and powers were clearly defined. Officials at all levels were put under strict control. A system of testing and supervising the officials was implemented. The Ministry of Civil Personnel was responsible for checking on officials. At that time, farming and silkworm raising were the foundation of the national economy and the school was an important place for training officials and disseminating the rites. For this reason, an official was appraised chiefly on the basis of his achievements in farming and silkworm raising and in running the schools. Those who showed that they were competent were promoted, those who scored normal results were retained in their posts and those who were incompetent were demoted. The corrupt officials were handed over to the courts and punished. The degenerates were dismissed. The officials were supervised primarily by the Court of Censor and other departments in charge of the discipline of government officials. [paragraph continues]

All officials, whatever their rank, who committed crimes, formed gangs for private ends, bullied people, violated laws and regulations and perverted justice for a bribe were impeached. At the same time, a public relations department directly responsible to the emperor was set up. It reported directly to the emperor on matters concerning people's requests as well as appeals against miscarriages of justice. "Sealed letters of complaints were opened before the emperor so that the dishonest court officials were exposed without exception" ("Economic and Political Systems of the Ming Dynasty," "Records of Public Functionaries," Vol 35). Zhu Yuanzhang held that the supervisory organ was the sole agency for maintaining law and discipline and that its personnel should impose strict demands on themselves and honestly enforce the laws so that they could do a good job of supervising public functionaries. Therefore, he asked the supervisory personnel to "act honestly, set an example for subordinates, do their work wholeheartedly and diligently, avoid inertia and conservative attitudes, discourage bad practices and avoid using public office for private gain and injuring the public" (History of the Ming Dynasty," "Records of Public Functionaries," Vol 73). If these supervisory personnel violated laws and regulations, they were punished far more seriously than ordinary officials. If they took bribes, they received twice as serious a punishment as ordinary officials who committed similar crimes. The people clearly knew who were corrupt and bad officials. To insure that the people supervised officials, Zhu Yuanzhang specifically issued a decree which said that "the people are allowed to come to their state capital to ledger complaints against prefectural and county magistrates who are corrupt and ruthless." (Zhao Yi: "Notes on the Study of Histories of 22 Dynasties," "Severe Punishment for Corrupt Officials," Vol 33). It was rare and commendable for a feudal rulers to do this.

A fairly good legal system was needed to tighten up the government machinery. If the legal system was not good enough, there would be no laws and regulations to go by. It would then be very difficult to impose sanctions on officials who were unruly. Soon after he began to rule, Zhu Yuanzhang warned the provincial governors and prefectural and county magistrates who came to the state capital for an audience with him: "The country has just begun to enjoy stability. The people are impoverished and tired. They are like a baby bird whose feathers must be well protected or a newly transplanted sapling whose roots must not be damaged. They must be allowed to recuperate and rehabilitate themselves." He told them to "practice self-restraint and work for the people" and never "work for themselves and harm the people" ("Substantial Accounts of the Taizu Emperor of the Ming Dynasty," Vol 25). He also warned the ministers and generals who had rendered meritorious service: "You have won personal renown for your achievements. You should pay attention to maintaining your integrity in your later years" ("Substantial Accounts of the Taizu Emperor of the Ming Dynasty," Vol 70). In the second year of his reign, he summoned his ministers and announced that "drastic laws" would be enforced: "All officials who take bribes and harm the people will be punished and should not be given lenient treatment" ("Substantial Accounts of the Taizu Emperor of the Ming Dynasty," Vol 30). After that the Ming Government drew up the "Laws of the Great Ming Dynasty," defining the functions, powers and tasks of civilian officials and army officers as well as the relationship between them. It also promulgated such circulars and instructions as "Quotations From the Forefathers," "General Rules for Handling Public Affairs," "Principal Commandments," three "Imperial Mandates," "Imperial Mandate for Military Personnel," "Rules for Military Personnel," "Instruction to Military Personnel on Safeguarding Their Personal Security," "Prominent Examples of Warning," "A Brief Instruction to Awaken Corrupt Officials," "Everlasting Models," "A Review of Ancient Systems," "A Main List of Families Holding Hereditary Official Ranks," "Rules and Regulations Laid Down by the Ancestors of the Ming's Imperial Family," "Main Points for Attention in Handling Government Affairs," and other rules and regulations to be observed by feudal princes, provincial governors and prefectural and county magistrates. These circulars and instructions set forth in detail all points to be observed by the prince and by officials at all levels.

In view of the looseness and inefficiency of the government machinery of the Yuan Dynasty, the Ming Dynasty specified severe punishment for officials who broke the law and violated discipline. The officials obeyed orders and strictly observed the law and discipline. This was a precondition for guaranteeing the implementation of the imperial decrees. To insure that the officials absolutely obeyed the orders of the central government, the Ming laws stipulated serious punishments for officials in the imperial court who made excuses for refusing the emperor's assignments and for officials who left office or delayed assuming their posts without sufficient cause. Ministers who selected officials for personal gain were to be beheaded. Those who created official posts at random and summoned their subordinates without sufficient cause were punished. To prevent officials from usurping power and perverting the law, the Ming laws stipulated: "Those who make malicious remarks which lead to the killing of other people (that is, those who are not just but try to achieve their selfish ends by provoking the ruler to execute their opponents) will be beheaded." "When a death sentence is passed on a criminal or official, anyone who tries to have him pardoned to gain popularity will be beheaded." "Officials of the Ministry of Justice and other governmental departments at all levels who do not enforce the laws but act on their superiors' instructions to vary the sentences on the criminals" will be beheaded, their dependents will become slaves and their property will be confiscated. ("Laws of the Great Ming Dynasty," "Rules for Officials" and "Duties of Officials," Vol 2). In preceding dynasties, officials had frequently claimed ties with one another, recommended friends and relatives for jobs and formed cliques. This had led to confusion and weakened the government, contributing to the downfall of a feudal dynasty. To prevent this situation, the Ming Government adopted the policy of rotating officials from one locality to another and transferring officials in the state capital to other localities after 3 years. This policy also prohibited army officers from receiving gifts from senior civil officials and visiting them unless they were leaving on an expedition. It stipulated that the ministers could not dictate in matters concerning the selection and appointment of officials and that their relatives should not be given official posts except with the approval of the emperor. It also stipulated: "Ministers who form a clique to confuse government affairs will be beheaded, their family dependents will be made slaves and their property confiscated" ("Laws of the Great Ming Dynasty," "Rules for Officials" and "Duties of Officials," Vol 2). In addition, officials in and outside the state capital who collaborate with each other would be beheaded and their family dependents exiled to a place 2,000 li away. To check the bad habit of flattery, officials and the people were strictly prohibited from presenting memorials to the emperor praising ministers for their ability and virtue. Anyone who violated this prohibition would be charged with treachery and "beheaded, his family dependents made slaves and his property confiscated." Officials of a garrison or local government were not allowed to leave the city to welcome or see off a superior or an envoy. The Ming laws stipulated that "those who leave the city to welcome or see off a superior or an inspector general will be punished with 90 strokes of a stick; and the superior or inspector general who allowed such formalities" will be given a similar punishment" ("Laws of the Great Ming Dynasty," "Regulations of Rites" and "Rules of Ceremonies," Vol 12). The Ming Government imposed heavy punishments for corruption. Zhu Yuanzhang drew up this rule: "Officials guilty of corruption must be punished and should not be treated with leniency" ("History of the Ming Dynasty," "Biography of the Taizu Emperor," Vol 2). He also ruled: A corrupt official who "takes a bribe of more than 60 liang will be beheaded and his head will be hung up on the city wall and shown to the public" ("Notes on the Study of Histories of 22 Dynasties," "Severe Punishment for Corrupt Officials," Vol 33). Those who take bribes of less than one guan were to be punished with 70 strokes of a stick. For each additional 5 guan taken as a bribe, the punishment would be increased by one degree. Anyone taking a bribe of 80 guan was hanged. Officials in charge of warehouses who were found guilty of stealing money and grain were punished with 80 strokes of a stick if the loot was worth less than one guan and beheaded if the loot was worth 40 guan. An official was also punished for taking more personal effects than allowed when going on outdoor business by riding government-raised beasts of burden or by taking a carriage or boat. For example, his luggage was not to exceed 10 jin if he rode a beast of burden. Offenders would be punished with 10 strokes of a stick for each additional 5 jin. The maximum penalty was 60 strokes.

I. 2 Nov 79

L 14

PRC
NATIONAL AFFAIRS

It is certainly important to draw up laws and regulations and strengthen the legal system. It is more important to seriously carry out these laws and regulations. Zhu Yuanzhang saw to it that every law was enforced and every order executed resolutely. For example, an official would be beheaded as soon as he was found guilty of corruption. On the left side of a provincial, prefectural, county or garrison office was a temple where sacrifices were offered to the village god and the corpse of a beheaded criminal was skinned. Corpses of officials beheaded for taking bribes of more than 60 liang were skinned in such a temple. They were then stuffed with straw and placed beside the desk of the official in charge of the office to warn succeeding officials. Zhu Yuanzhang also purged corrupt officials on a countrywide scale on several occasions. Take, for example, Guo Heng's case of corruption which took place in the 18th year of Zhu Yuanzhang's reign. Those involved in this case who ranked below the vice presidents of the six boards of the central government were executed and 7 million shi of stolen grain was recovered. The names of the officials of the provincial governments were mentioned in the statements made in court, resulting in the arrest and killing of tens of thousands of people. In the course of recovering the stolen grain, landlords in many localities were involved. Many of them went bankrupt. Apart from this, officials throughout the country were tested in the fourth year of Zhu Yuanzhang's reign. The case of the false seal took place in the ninth year. A large number of truculent and corrupt officials were punished in those years. This tightening up of the feudal government machinery was unprecedented in scale and harshness. In view of the severe punishments, the officials behaved themselves and were less wanton in taking bribes and the general mood of the officials gradually changed for the better.

What merits attention is that Zhu Yuanzhang did not spare the feelings of the influential officials and his relatives. Laws must be observed by everyone or they mean nothing. In the feudal society, the emperor's relatives and the influential officials often broke the laws. Their subordinates followed their example. As a result, the laws were neglected. In the early period of the Ming Dynasty, Zhu Yuanzhang imposed punishments according to law on his relatives and influential officials who broke the law. Hua Yunlong and Zhu Liangzu were among those who helped Zhu Yuanzhang found the Ming Dynasty. They held important positions and were very influential. Hua Yunlong lived in the mansion belonging to the former prime minister of the Yuan Dynasty and sent large groups of armymen and civilians to renovate it. He lived in great luxury and secretly used the utensils formerly used by the Yuan emperor. He was discharged from his office once he was found guilty of breaking the law. He died during a trip from Beijing to the state capital. Zhu Liangzu took bribes when he was governor of Guangdong. He forced the magistrate of Panyu County to release a local bully and his relatives who had violated the law. He also falsely charged a magistrate and killed him. When this case was exposed, he and his son Zhu Xian were whipped to death. Ouyang Lun was the husband of Princess Anqing, daughter of the Ma empress. The private transport of tea was banned during the last years of Zhu Yuanzhang's reign. Ouyang Lun repeatedly sent his servants to smuggle tea from one place to another. "His servants caused trouble everywhere. Even the local senior officials were afraid to interfere with them. One of his servants, Zhou Bao, was very arrogant. He often told the local officials to requisition a few dozen carts belonging to people. He once passed by the customs office at Heqiao and beat the official in charge. This official was angered by the insult and reported the matter to the higher levels" ("History of the Ming Dynasty," "Biography of the Princess," Vol 121). Zhu Yuanzhang did not spare his son-in-law at the expense of the law. He ordered the execution of Ouyang Lun and Zhou Bao. His support of the law without any consideration for his own interests was obviously of great importance in tightening up the government machinery.

While severely punishing the corrupt and ruthless officials, Zhu Yuanzhang vigorously commended the honest and just officials. Punishments and rewards were duly meted out. The local guards at Jinxiang in Zhijiang made weapons, causing the residents great inconvenience. Zhang Chu, magistrate of Pingyang County, Wenzhou Prefecture, did not allow this. When Zhu Yuanzhang learned of this, he sent the magistrate a reward of 30 ingots of gold and a bottle of wine, together with a citation. Wang Xingzong, magistrate of Jinhua County, "worked diligently and refused to take a bribe." Zhu Yuanzhang promoted him step by step to the post of governor of Henan. The official at Heqiao who exposed the case of Ouyang Lun was also commended by Zhu Yuanzhang for his spirit of "not bowing to the influential and the noble." When commanding officials, Zhu Yuanzhang paid close attention to the opinions of the people. After serving a term of office in a locality, some honest and competent officials stayed for another term at the request of the local residents and with approval of the higher levels. Because of the harsh laws at that time, some prefectural and county officers were arrested for some minor mistakes. They were rehabilitated and some were even promoted after the local residents lodged appeals for them and gave accounts of their achievements in their official careers. For example, in the 29th year of Zhu Yuanzhang's reign, county magistrates Zhou Rong, Shen Chang and Yi Jiren and deputy county magistrate Ye Zong were arrested and examined for some mistakes. The local residents went to the gate of the Imperial Palace and lodged petitions, praising their abilities and virtues. These officials were released and promoted to prefectural magistrates. Meting out rewards and punishments encouraged the honest officials and warned the fraudulent ones. "As a result, the senior officials exhorted each other. At that time, most of the officials were noted for their honesty and competence" ("History of the Ming Dynasty," "Biographies of Honest and Competent Officials," Vol 281).

After a few decades of violent struggle, the government machinery in the early Ming Dynasty was greatly improved and tangible results were achieved. According to the "Biographies of Honest and Competent Officials" in the "History of the Ming Dynasty": "At that time, the local officials stood in awe of the laws, behaved themselves, cherished the people and acted on the imperial instructions. The government machinery changed for the better. When the Renzong and the Xuanzong emperors succeeded to the throne, they comforted the people and let them recuperate. The people led a happy life. The government machinery was free from corruption for more than a century." Of course, it was a bit of an exaggeration to say that "the officials cherished the people" and "the people led a happy life." Yet it was true that the government was free from corruption to a large extent for more than a century during the early Ming Dynasty. Government machinery which was free from corruption was conducive to strengthening the rule, easing the class contradictions and maintaining social order. With the government machinery strengthened and the political situation stabilized, the policy of "recuperation and rehabilitation" was implemented step by step and the national economy gradually revived and prospered. By the 26th year of Zhu Yuanzhang's reign, farm acreage throughout the country was more than four times greater than that of the last years of the Yuan Dynasty, and grain output was almost 200 percent greater than that during the Yuan Dynasty. This prosperity and increased power in the feudal central government laid the foundation for flourishing times during the early Ming Dynasty.

Zhu Yuanzhang tightened up the government machinery to safeguard the interests of the feudal landlord class and consolidate feudal despotic rule. Corruption in the government was a chronic disease of feudal bureaucratic politics and a product of autocracy. The problem could not be solved fundamentally unless the feudal autocracy was changed. However, as Lenin pointed out: "The proletariat is hostile to the bourgeoisie and to all manifestations of the bourgeois system, but this hostility does not relieve it of the duty of distinguishing between the historically progressive and the reactionary representatives of the bourgeoisie" (Lenin: "Collected Works, Vol 8, p 34). [paragraph continues]

While exposing and criticizing the class nature of the policies and measures adopted by the feudal rulers, we must distinguish between their progressive and reactionary characteristics and subsequently decide whether they are positive or negative. As a feudal emperor, Zhu Yuanzhang vigorously tightened up the government machinery, applied harsh laws and imposed severe punishments on corrupt and fraudulent officials and wiped out the most decadent social force, thereby easing the social contradictions, transforming some decadent links which hindered the development of the productive forces and making the economy develop along a normal track. Doubtless, his measures were progressive in the situation at that time when the productive forces were not strong enough to push the feudal system out of the arena of history. We should confirm these measures according to the principle of history.

FURTHER REPORTAGE ON NATIONAL WRITERS, ARTISTS CONGRESS

OW011146 Beijing XINHUA Domestic Service in Chinese 1410 GMT 30 Oct 79 OW

[Speech by Mao Dun at opening of Fourth National Congress of Writers and Artists of China]

[Text] Beijing, 30 October--Delegates and guests:

The Fourth National Congress of Writers and Artists of China is now open.

The First National Congress of Writers and Artists held 30 years ago was a gala gathering for the nation's writers and artists to join forces on the eve of the nationwide victory won by the Chinese people under the leadership of the party in overthrowing the three big mountains [of imperialism, feudalism and bureaucrat-capitalism]. The current congress is another such gala gathering of the nation's writers and artists following the great victory won by the party and people in smashing Lin Biao and the "gang of four." Among the 3,200 delegates attending the current congress, there are veteran fighters in the literary arena who have made outstanding achievements in the face of long trials and hardships. There are brilliant young people of vitality in the realm of art and literature who have displayed their talents for the first time. There are writers and artists of the fraternal nationalities. And there are also progressive and patriotic writers and artists from Taiwan, Hong Kong and Macao. They represent all the literary and art workers of the country. At a time when the people throughout the country are marching heroically toward the four modernizations, and as we jubilantly celebrate the 30th founding anniversary of our country, our happy gathering under one roof and our joint consultation on matters of importance on the literary and art front here marks a historically significant gala meeting of the literary and art circles of our country.

Today Vice Chairmen Yi Jianying, Deng Xiaoping and Li Xiannian and other leaders of the party and state are attending our opening ceremony. Also attending the meeting are the representatives of the All-China Federation of Trade Unions, the National Women's Federation, the Communist Youth League and the People's Liberation Army and responsible comrades from educational, journalistic and cultural circles and from departments concerned.

We are also honored by the presence of our foreign friends at this meeting--noted critic Norao Miyagawa, noted film maker Joris Ivens and noted writer Felix Greene. On behalf of the congress, I extend my respect to the party and state leaders attending this meeting and a warm welcome to all our guests here.

Comrades, 19 years have passed since the Third National Congress of Writers and Artists was held in 1960. During this period people from literary and art circles were the first to be affected by the conspiratorial activities carried out by Lin Biao and the "gang of four" to usurp party and state leadership. The people's cause of literature and art has suffered the most serious devastation and destruction. What makes us feel proud, however, is the fact that the vast majority of literary and art workers have stood up to the counterrevolutionary pressure against them and waged resolute and heroic struggle against this pack in various ways. We were not crushed under the whip or shackles or by humiliation or persecution. Instead, this has been a tempering from which we have emerged even stronger and more mature. Facts prove that ours is a courageous and strong contingent, a contingent loyal to the party, the people and the cause of socialism. Our meeting here today is a proclamation that the ultraleft line and the conspiratorial literature and art pushed by Lin Biao and the "gang of four" on the literary and art front have now ended forever and that a new page has turned in the history of socialist literature and art.

After the downfall of the "gang of four," we have, under the leadership of the party Central Committee, with the concern and support of the people of the whole country and through the joint efforts of the large numbers of literary and art workers, smashed our mental shackles, criticized the ultraleft line and redressed a great number of cases of people who had been unjustly, falsely and wrongly charged. In the course of the struggle to set things right and emancipate the mind, flowers of all sorts are blooming in a riot of color in the garden of socialist literature and art. The spring of literature and art has arrived.

The party Central Committee held its third plenary session last December. It called on the entire party and country to shift the focus of work to socialist modernization. The third plenary session rated highly the discussion on the question of the criterion of truth being carried out throughout the country and set forth the principles of "emancipating the mind, starting up the machinery, seeking truth from facts and uniting and looking forward." People of our entire country are now carrying out the great struggle for the realization of the four modernizations under the leadership of the party Central Committee. Literary and art workers should be vanguard fighters in this struggle. The literary and art front has made tremendous achievements in the past 3 years. However, it still falls far short of meeting the needs of the masses of the people. How to further emancipate the productive forces of literature and art and advance socialist literature and art toward prosperity in order to serve the four modernizations still more effectively--this is a fighting call to us from the party and people, a matter of great concern for the comrades in the literary and art circles and the main topic to be discussed in this congress.

According to the decision of the third enlarged session of the Third National Committee of the China Federation of Literary and Art Circles, the task of this congress is to "sum up the abundant positive and negative experiences gained by the literary and art front since the founding of the country, to discuss the tasks and plans for literary and art work during the new period, to revise the constitutions of the Federation of Literary and Art Circles and its various associations and to elect the leading organs of the federation and various associations." Concurrently with this congress, membership representative meetings of the various associations, we expect to bring about a new development in the cause of literature and art and open a new era of prosperity for socialist literature and art. We must firmly adhere to the principle "let a hundred flowers blossom and a hundred schools of thought contend." Only by so doing can we create more and better literary and art works and make contributions to the cause of socialism and to the struggle of the people throughout the world against imperialism and hegemonism and to the development of progressive culture.

Comrades, we must uphold Marxism-Leninism-Mao Zedong Thought as the guide to literary and art work. Marxism-Leninism-Mao Zedong Thought is a scientific guiding practice and not a dogma. We are faced with new historical conditions, conditions our revolutionary teachers did not face in their lifetimes. A series of new questions has been brought up in actual life to challenge our literary and art work. As practice is the sole criterion for testing truth, we must find answers to these new questions through repeated practice.

Comrades, our strength lies in unity. We must further promote the great unity of literary and art circles through this congress. We must make this congress a meeting of unity and for emancipating the mind and developing democracy. It is hoped that everyone will speak his mind freely about the key topics of the congress and about questions that are everyone's concern. It is also necessary to continue to deepen the criticism of the ultraleft line pushed by Lin Biao and the "gang of four" and to eliminate their poisonous influence. We should refrain from being rude in cases of differences concerning ideological questions with regard to literature and art. This is detrimental not only to unity but also to the development of literature and art. We should enhance the unity between the leading and the led, between party and nonparty literary and art workers, between old and new literary and art workers and between professional and amateur literary and art workers. Our purpose is to serve the masses of the people and our task is to serve the realization of the four modernizations. To attain this splendid goal, we must unite still more closely, for only in this way can we win still greater victory for our cause.

Comrades, our current congress represents a proclamation of the beginning of the new Long March for socialist literature and art. It is of great historical significance in the history of China's literature and art. All literary and art workers and the people in our entire country have earnest expectations of our congress. Our foreign friends are also watching this congress with interest. It is my deep belief that, through the joint efforts of all delegates, our congress will surely be very fruitful. Let us unite closely together to jointly fight for the still more flourishing cause of socialist literature and art!

Zhou Yang Report

0W011230 Beijing XINHUA in English 1206 GMT 1 Nov 79 OW

[Text] Beijing, November 1 (XINHUA)--Literature has an important part to play in China's modernization, on which hinges the future of the nation, of every person and every family. Zhou Yang, vice-chairman of the China Federation of Literary and Art Circles, said this today before the current Fourth National Congress of Chinese Writers and Artists, which opened on October 30.

Zhou Yang's 25,000-word report is entitled "Be Both Successors and Pioneers, Bring Literature and Art Into Flower in the New Period of Socialism".

Our literature and art should reflect the people's great struggle for socialist modernization, help them understand and overcome the difficulties and obstacles in their advance and inspire them to fight with determination and confidence, he added. Art should address itself to current problems, educate the people in revolutionary traditions, portray heroes, expose bad people and criticize whatever impedes social progress: bureaucracy, feudal privilege, the narrow-mindedness and conservatism of small producer mentality, and other petty-bourgeois ideas and the ideology of the bourgeoisie.

While the people's great struggle for socialist modernization should be the focus, Zhou Yang also urged writers and artists to choose subjects they felt they could handle, selected from past or present, the history of China or other lands.

A prominent figure in Chinese literature for almost half a century, 72-year-old Zhou Yang reaffirmed the indelible contributions to the victory of the new-democratic revolution and the national liberation war made by the left-wing literary and art movement of the 1930's, even though some left-wingers had had an inadequate grasp of Marxism and Chinese life and showed dogmatic and sectarian tendencies.

Comrade Mao Zedong's "Talks at the Yanan Forum on Literature and Art" in 1942, Zhou Yang declared, was an epoch-making document which showed why art ought to serve the workers, peasants, soldiers and the masses of the people and therefore why writers and artists should integrate themselves with the masses. Mao Zedong Thought remained the guiding light for Chinese literature, Zhou Yang declared. This did not mean that ready-made answers could be drawn about new problems from the revolutionary teachers. Writers should follow the principles explained by Comrade Mao Zedong, and have the courage to make proper revision and supplement to those of his ideas that were inappropriate as they stood for present conditions.

In a detailed appraisal of the works produced in the 30 years since the founding of new China, Zhou Yang said that the achievements had been great and the main stream correct and healthy. There had been both "left" and right deviations, with "left" deviations causing greater damage. The works produced from 1949 to 1966 were impressive, and had great influence on the younger generation and inspired the people to go forward, he said. The decade under Lin Biao and the gang of four represented the darkest years in new China's literature and art, he stated. By pursuing an ultra-left line, they turned literature and art into the handmaidens of reactionary politics. However, from a historical point of view, he added, this period was short and transient, and China's literary workers had not given up but had carried on struggle in many ways. The poetry through which the 1976 April 5th mass protest movement against the gang of four at Tiananmen Square had been voiced added a brilliant page to Chinese proletarian literature.

Works produced in the three years since the downfall of the gang of four, first of all short stories and plays, had revived the realist tradition of socialist literature and art. This literature, which coming from young people, reflected the demands and aspirations of the people and pinpointed urgent problems. Zhou Yang laid stress on the correct handling of three relations, that between art and politics, between literary creation and the life of the people, and between tradition and reform.

Zhou Yang also dealt with the following matters:

--Literature and art must strive to present reality accurately. Writers and artists should freely choose form and style of presentation.

--Art is critical. Blows should be struck at the enemy, but there should also be a critical attitude toward weakness in building socialism, otherwise progress cannot be made, he said.

--So long as there are classes, art is stamped with the brand of a class; art is influenced by certain politics and in turn reacts to it.

I. 2 Nov 79

L 20

PRC
NATIONAL AFFAIRS

--Party leadership of art must be based on the nature of the work and the method of giving orders based on subjective will should be rejected.

--The policy of weeding through the old to let the new emerge and making the past serve the present and foreign things serve China should be upheld.

--Efforts should continue to popularize literature and art among the people, to develop the culture and art of China's minority nationalities, to strengthen research in Marxist aesthetics and to expand cultural exchanges with foreign countries.

Minority Nationality Artists Activities

0W011707 Beijing XINHUA in English 1592 GMT 1 Nov 79 OW

[Text] Beijing, November 1 (XINHUA)--Artists of Uighur, Kazak, Uzbek and Kirgiz and other minority nationalities to the National Writers and Artists Congress celebrated the Corban festival today.

The Xinjiang delegation to the congress was host. Artists from Hong Kong and Macao joined the party. People sang and danced and enjoyed sweet melons from Xinjiang.

Vice-Minister of Culture Lin Mohan and Secretary of the Communist Party Xinjiang Regional Committee Zhang Shigong went to extend greetings.

Amid warm applause, Lin Mohan expressed the hope for greater unity among all the nationalities of China and their writers and artists.

Forty-nine-year-old Uighur poet Tieyifujiang wrote these lines for the occasion:

In the springtime of art under such a clear sky,
We, old friends, gather here.
The golden age of art is coming,
Let us embrace it with open arms.

BRIEFS

RECORD EGG PURCHASES--Beijing, October 30--A Ministry of Commerce spokesman says that China has overfulfilled its 1979 plan for egg purchases. By the end of September, the state had purchased 760,000 tons of eggs, 205,000 tons more than in 1978, the highest previous year. Most of the eggs came from peasant families while some were from state farms and people's communes. China raised the purchasing price of eggs and 17 other farm products beginning in March this year. This stimulated the raising of chickens. [Beijing XINHUA in English 1200 GMT 30 Oct 79 OW]

NATIONAL HYBRID RICE SYMPOSIUM--The National Symposium To Exchange Experiences in the Production of Hybrid Rice was held in Yujiang County from 5 to 13 October. The symposium was held by the Seed Strain Bureau of the Ministry of Agriculture. Attending the symposium were 123 persons from the seed strain departments of the 14 provinces, municipalities and autonomous region in southern China. The symposium revealed that the average per mu yield from the 65 million mu of hybrid rice planted throughout the country in 1978 was 100 jin higher than the conventional type of rice. This increased the output of rice throughout the country by 7,000 million jin. [Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 19 Oct 79 HK]

PENG CHONG ADDRESSES SHANGHAI MEETING ON YE'S SPEECH

OW311453 Beijing XINHUA Domestic Service in Chinese 0247 GMT 28 Oct 79 OW

[Text] Shanghai, 28 October--"The achievements accomplished in the past 30 years are great, and the experiences and lessons learned in the past 30 years are valuable. Because of them, our party has become more mature and our people have greater confidence in the future. Now, as long as we can genuinely make economic work the predominant central task and concentrate our efforts to boost the national economy, we certainly can surmount all difficulties on the road ahead and consolidate and develop the present fine situation." This was stated by Peng Chong, first secretary of the Shanghai Municipal CCP Committee [and member of the Political Bureau of the CCP Central Committee], at the meeting of the Standing Committee of the municipal party committee, on what he has learned in studying Comrade Ye Jianying's speech at the rally in celebration of the PRC.

Comrade Peng Chong said that one of the important experiences and lessons which we learned from the past 30 years is that we had not been able to timely and truly shift the emphasis of part work to production and construction. Now, sweeping down irresistibly from a commanding height, Comrade Ye Jianying's speech has practically summed up the valuable experiences and lessons, both positive and negative, of the past 30 years, and has provided Marxist answers to many important issues about which the whole party and people of the whole country are concerned. His speech is of inestimable importance for eliminating all interferences from the "left" and the right, and for genuinely uniting the thinking and pace of the party and the people to socialist modernization. Therefore, we must adhere to the principal guideline that economic work is the greatest political work and do our jobs in a down-to-earth manner.

Comrade Peng Chong added: The goal of the four modernizations is a magnificent one, but, to realize this goal, we must go through a process of arduous struggle. We must consistently uphold the four basic principles: Encourage ardent love for the party, the motherland and the people; promote a strict sense of organization and discipline; promote fine moral practices; and encourage the spirit of diligence and bravery and the spirit of defying difficulties, so as to unite the 10 million people of Shanghai to work wholeheartedly and advance bravely toward the goal of building a strong country.

Since early October, the Shanghai Municipal CCP Committee has held several consecutive Standing Committee meetings to conscientiously study and understand the spirit of Comrade Ye Jianying's speech. The Standing Committee members unanimously maintain that the highly substantial speech is a programmatic document which has lasting significance for guiding the work of the whole party, the whole army and the whole country. At these meetings, the Standing Committee members have engaged in heated discussions, linking the realities of Shanghai's work, especially the important task entrusted by the party and the state, to build Shanghai into a modern industrial, scientific-technological and foreign trade base.

In discussing his experience in studying Comrade Ye Jianying's speech, Chen Jinhua, deputy secretary of Shanghai municipal CCP committee in charge of economic work, said that seeking truth from facts and upholding the four basic principles is the core and red undercurrent of Comrade Ye Jianying's speech. He said that Chinese-style four modernizations must be carried out in the spirit of seeking truth from facts, and that there must be an environment of stability and unity and a lively political situation in order to realize the four modernizations and economic construction. This requires us to uphold the four basic principles. Therefore, we must look further ahead and spend more time contemplating the big issues concerning strategy and orientation in economic construction, and spare no efforts in boosting Shanghai's economic construction as quickly as possible.

During study and discussion, the Standing Committee members of the Shanghai Municipal CCP Committee have all emphasized that, to do economic and other work properly, we must continue to follow a correct ideological line and, centering on raising and developing the productive forces, continue to deepen the discussions on the criterion of truth and completely eliminate the pernicious influence of the ultraleftist line of Lin Biao and the "gang of four." They also point out that, in resolving the people's ideological problems, we cannot simply rely on discussions; rather; we must use practical work to prove that our party's line, principle and policies at present are correct, and do our economic work and other work in a down-to-earth manner. In this way, the masses will increase their confidence in us and we will have a clearer view of some historical problems and will be able to solve them more successfully.

WEN HUI BAO URGES PEOPLE TO SHARE STATE'S PROBLEMS

OW012201 Beijing XINHUA Domestic Service in Chinese 1150 GMT 30 Oct 79 OW

[Report on Shanghai WEN HUI BAO 28 October "ideological" commentary by Wan Han: "Share Our Country's Burdens and Problems"]

[Excerpts] Shanghai, 30 October--We have won great victories over the past 3 years since the crushing of the "gang of four". We are now in an era of great hope, in which much can be accomplished. However, we must also realize that a mountain of problems--not a mere heap of problems--have been created by the bane of Lin Biao and the "gang of four". For example, while a large number of young people in our city are awaiting placement, labor productivity is low and organizations have already been overstaffed. The housing shortage problem is also acute. A small living quarter may be crammed by a family of several members, or even several generations. Moreover, there are the problems of low wages, separation of husbands and wives in different places and many others.

Some comrades are jubilant over the various achievements and big changes over the last 2 years and more following the crushing of the "gang of four," but once they realize that their livelihood is still relatively hard, their housing problems have not been solved for a long time, and their children are still jobless, they cannot help sulking. Such feelings are certainly understandable. More often than not, a family's problems are more noticeable and palpable than the problems of the country. Of course, the problems of the individual families should be properly solved step by step, and our leaders should do their best to solve these problems as soon as possible. But, if we are still unable to solve these problems immediately, let us give these comrades this advice: Only when there is something in the pot can there be something in our bowl. Because in the final analysis, many social problems and difficulties which we are now encountering cannot be solved until our economy has been developed.

This year our country planned to give jobs to more than 7 million people, and has so far given jobs to more than 4 million. In Shanghai, placement for the 40,000 educated youths has been basically completed. Efforts are now being made to settle the 300,000 middle school graduates of 1978, and this equals the population of a medium-size city. How can an arduous and complicated task of giving jobs to so many people be completely solved in one morning? There must be a process of first and second priority.

Also, in light of the necessity of the four modernizations and the current national economic situation, some people must go to the farms under the municipal jurisdiction. It is impossible to let everybody stay in the city. Also, the number of those who remain in the city and who can be assigned to the state-owned units is limited, and most people have to go to the collectively owned units.

Some people's tendency of preferring the state-owned industrial and mining enterprises to farms and the collectively owned enterprises, and the tendency of preferring production to service must be combated. Even every family has to make an effort to solve the seven basic necessities [firewood, rice, edible oil, salt, soysauce, vinegar and tea], let alone the problems of such a big "family" of our 900 million people! In short, we must resort to deeds, not lip service, to share some problems of our country and party. The country belongs to every one of us. Each of us is its master. Being its masters, we must have the courage and responsibility to solve our own problems.

Making trouble is not an effective way to solve problems. Certain people maintain that their problems can be solved by creating some trouble, provoking some incidents and exercising some pressure on their leaders. Practice has proven such a concept to be very harmful. Making trouble can neither increase production nor find more ways to solve problems; it will only undermine the fine situation of stability and unity. Our experiences have told us that nothing can be achieved without a stable and united political situation. Shouting, yelling and massing people to create disturbances will only obstruct solutions to what can be gradually solved, and will prevent the leaders and the masses from concentrating their efforts on realizing the four modernizations. While we should not make trouble without a legitimate cause, making trouble even with a legitimate cause is also impermissible. When production cannot be raised, the foundation of solving all sorts of problems will be lost. Therefore we cannot approve the measure of solving our immediate problems by making trouble.

The article points out: Of course, this does not mean that the bureaucratic work style should be tolerated and that the masses' sufferings can be ignored. For those problems of the masses which must be urgently solved, and those problems which can be solved with some efforts, we will not endorse using procrastination and other similar pretexts to obstruct their solution. Some problems can easily be solved with a little brainwork and some effort, and the masses will understand if we explain to them why some of their legitimate requests cannot be fulfilled immediately. As for those unreasonable demands, we must deal with them through justice and by upholding principles, and by no means should we compromise in this regard.

In short, while we stress that we should share our country's burdens and problems and work with the party with one heart and one mind, by no means should this be used by some people as an excuse for ignoring what should be solved. Leaders at all levels must be concerned with the masses' livelihood and resort to all possible means to warmly help them solve the problems that can be solved with some effort, for this is also an important way of sharing the burdens and problems of our country.

GUANGMING RIBAO ON ECONOMIC THEORY CLASS IN ZHEJIANG

HK010801 Beijing GUANGMING RIBAO in Chinese 21 Oct 79 p 1 HK

[Report by GUANGMING RIBAO correspondent Tong Chichang [4547 3589 2490] and reporter Lu Liang [4131 5328]: "Zhejiang Provincial CCP Committee Holds Economic Theory Class"]

[Excerpts] The Zhejiang Provincial CCP Committee recently held an economic theory study class attended by the first secretary of the provincial party committee, the Standing Committee members of the provincial party committee, and the principal leading comrades from the provincial, prefectural and municipal levels. [paragraph continues]

Adhering to the principle of practice being the sole criterion for testing truth, everyone summed up both the positive and negative experiences in economic construction, thoroughly criticized the ultraleftist line of Lin Biao and the "gang of four," cleared up a series of incorrect ideas and slogans for economic work, distinguished between right and wrong with regard to economic theory, gained a better understanding of economic construction as the overriding central task and raised their consciousness of acting in accordance with the objective economic law. Everyone more fully appreciates the following points:

We must not forget that economic construction is the central task. Everyone clearly understands through practice that the basic task after the seizure of power by the proletariat is the development of the productive forces. The focus of the party's work should be promptly shifted to economic construction. However, for many years, because we constantly stopped for "movements" and incessantly went in for "struggles," we not only lost a great deal of valuable time, but this also seriously affected the speed of economic construction. When economic construction could not go forward, other things were also unable to go forward. Realizing the four modernizations is the greatest political and overriding central task. Leading cadre who are unable to grasp this central task will be neglecting their duty. We must arm ourselves with the idea of the four modernizations, make a success of grasping the four modernizations and adapt our work style to the four modernizations.

We must not restrict the socialist production of commodities and commodity exchanges. Some comrades said: Due to the influence of the past ultraleftist fallacies, we were afraid that commodity production and commodity exchanges might give rise to capitalism. Actually, at present we do not have enough commodities, and commodity exchanges are a long way from being developed.

We must not think that bigger enterprises are better, and that public owned enterprises are better than privately owned ones. Many comrades pointed out in their speeches: We have suffered in the past because we ignored the level of development of the productive forces and kept on transforming the relations of production. We mistakenly thought that the higher the degree of public ownership and the larger the scale of production and management, the more superior the enterprise. During the change to the people's commune, there was a call for "large" and "public." As a result, there was only one commune in a township and communes in a county were combined so that a county had only one or two communes. However, when we subsequently, began to take the production team as the basic accounting unit the peasants had peace of mind and production began to increase. Commerce and industry have also learned many lessons in "large merger and large increase."

We must not concentrate on only one thing. Looking back on the past 20 years and more, the comrades found that on several occasions they had not proceeded from actual conditions in Aheijiang, but had taken steel as the key link. They had given priority to the development of heavy industry, and one-sidedly gone in for big and comprehensive and small and comprehensive industrial systems. Consequently, there was high consumption with poor results and the losses far outweighed the gains. In agriculture, they also frequently ignored Zhejiang's characteristics of "seven parts hills, one part water and two parts land." They obstinately took food grains as the key link, put forth the erroneous slogan of "not eating commodity grain" and for a long time did not give the diversified economy and mountain and forest production the place they deserved. Consequently, they concentrated on single production, which affected the development of a diversified agricultural economy. In the past 2 years, great changes have taken place. However, some leading comrades still regard "taking food grains as the key link" as a universal law and still do not attach enough importance to the development of a diversified economy. As a result, there are still many "high-yield but poor production teams." This situation must be changed as quickly as possible. Some comrades are still talking about making every province, prefecture and county completely self-sufficient. [paragraph continues]

I. 2 Nov 79

05

PRC
EAST REGION

An independent, self-sufficient economic system is impractical and reflects the mentality of a small peasant economy. To carry out economic construction in Zhejiang Province in a faster and more dynamic manner, we must give full play to the province's economic strong points and use them to compensate for the weak points. Only by proceeding from reality, studying and exploring our unique economic structure, carrying out work in a manner suited to the locality and making rational overall arrangements can we speed up the pace of economic construction.

We must not set indexes and accumulations too high. Comrades attending the class held that plans must reflect the objective reality and that we must adhere to the principle of seeking truth from facts. During the Second 5-Year Plan and the Great Cultural Revolution, economic development was slow in Zhejiang Province. An important reason was that the indexes were too high. This resulted in an overextension of the battle-front, which left gaps, disrupted the proportionate balance and violated the objective laws. There was interference and sabotage from the ultraleftist line of Lin Biao and the "gang of four" as well as mistakes in our guiding thought. Some comrades saw these high indexes which were divorced from reality as examples of "daring to think and act and a sign of revolutionary zeal, and would not permit a "minus sign" to appear in the planning of indexes. Although some of these indexes were clearly high enough, they were still not satisfied and tried to "double" them. Consequently, haste made waste and the desire to go faster had the opposite result. For a very long time in the past they often discussed only production without discussing livelihood, looked upon consumption as a negative factor and regarded showing concern for the livelihood of the people as only stressing material benefits. They ignored existing financial and material resources and went all out for expanding production but without making proper arrangements for the livelihood of the people. They devoted themselves wholeheartedly to capital construction and clamored every year that the battlefront was overextended. However, the more they clamored the longer it grew. Now, we must decide to solve this problem even though it may hurt us. We must resolutely implement the eight character policy for readjusting the national economy. We must build less, put off building and even stop work on capital construction projects. However, we must also push agriculture, light textiles, silk products and tourism forward and make up for the "deficits" in culture and education and the livelihood of the people.

We must not go in again for "uniformity in everything." Everyone said: Our current management system is based on unified revenue and expenditures, unified purchasing and marketing of products, unified imports and exports of foreign trade, unified distribution and transfer of materials, and unified arrangements of planning. This "uniformity in everything" is too centralized and exerts too rigid a control. It does not fit in with the complexity of the national economy and the ever changing objective conditions. The production units at the basic levels are tightly bound and the development of production is seriously affected. If the enterprise is given some autonomy, conditions will change. However, the enterprises currently have neither money nor authority and they have become a body of stagnant water. This situation of "uniformity in everything" must be broken, and enterprises must be given a certain amount of authority. Everyone unanimously felt that the reform of management system is an inevitable trend independent of man's will.

BRIEFS

JIANGSU ANTIDROUGHT STRUGGLE--A battle to sow autumn crops and fight drought is underway in Xiangshui County, Jiangsu. Because there has not been any penetrating rain reported there for a long time, the drought has become much more serious since late September. Now some 30,000 people and 700 pumps are being mobilized to combat the drought. In Guannan County, a struggle against the drought to save 300,000 mu of wheat has been carried out by the commune masses. Thanks to the painstaking efforts of commune masses who worked round the clock to combat the drought, the county's wheat crops are now growing promisingly. [Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 24 Oct 79 OW]

I. 2 Nov 79 P E O P L E ' S R E P U B L I C O F C H I N A
C E N T R A L - S O U T H R E G I O N

P 1

NANFANG RIBAO COMMENTATOR ON DISASTER RELIEF

HK301222 Guangzhou NANFANG RIBAO in Chinese 19 Oct 79 p 1 HK

[Commentator's article: "We Must Do a Good Job of Production and Disaster Relief"]

[Text] Out of their high sense of responsibility to the people, the cadres of Baihua commune of Huidong County have paid close attention to production and disaster relief. By solving the difficult problems in the livelihood of the masses on one hand and grasping well the work of restoring production on the other, work has progressed at a faster pace. This method of work provides reference material for the disaster areas.

In late September this year, due to the No 13 typhoon, some areas in Guangdong were hit by an extraordinarily serious rainstorm, one of the most severe in history. Huiyang County, Huidong County, Huizhou Municipality and certain areas in other counties such as Boluo, Zijin and Heyuan in Huiyang Prefecture, Haifeng and Lufeng counties in Shantou Prefecture and small parts of certain counties in Meixian Prefecture suffered serious disaster. Viewing the province as a whole, this calamity only happened in some parts. However, the losses caused by the disaster were extremely serious in the afflicted areas, in particular the severely afflicted places. There are immense difficulties in production and the livelihood of the masses of people. To consolidate and develop the good situation throughout the province and swiftly organize people in the disaster areas to overcome the difficulties, the party and government organizations and the cadres in the disaster areas should wholeheartedly serve the people, share the comforts and hardships of the masses and, with the greatest revolutionary enthusiasm, lead the masses to make a success of production and disaster relief.

The party Central Committee and the State Council are extremely concerned about those parts of our province which suffered serious disaster. The state has already given us effective material support in the matter of disaster relief. This is most heartening to people in the disaster areas and is an important condition for doing a good job of relief work. At the moment, the departments concerned in the province, prefectures and counties have already and still are sending out relief funds and materials, and the communes and brigades in the disaster areas are sincerely helping their members in solving the immediate problems of food, clothing, accommodation and also medical treatment for some commune members. After making temporary arrangements to accommodate the people, we must also in a planned way give aid to those commune members whose houses have collapsed, for rebuilding their homes. This kind of work must be done in a meticulous and serious way for a marked effect to be produced. In so doing, we are delivering the warmth of the party into the very bottom of the masses' hearts so that they can more consciously unite around the party and exert the utmost effort in conquering the disasters.

However, we must soberly be aware that while seriously solving the immediate problems in the livelihood of the people in the disaster areas, we must simultaneously place our major attention on restoring production. We must follow with resolve the principle of self-salvation through production. Only when production is restored and developed can we doubly bring into play the function of the limited relief funds and resources, fundamentally solve the livelihood problems for the masses, make contributions to building the four modernizations on the basis of overcoming the disasters and thus enable the people in the afflicted area to become better off. So long as we clearly explain this to the masses in the affected area, then they will support with resolve and carry out the principle of self-salvation through production.

At the moment, in areas where the water conservancy works are damaged, we must do a good job of repairing the breaches and rebuilding the embankments. We can also practice the method of providing work as a form of relief in order to closely link the work of providing relief and of restoring production. We must save all the plants that can be saved, striving by every means to reap a little more.

I. 2 Nov 79

P 2

PRC
CENTRAL-SOUTH REGION

In paddyfields where the rice crop has been wiped out, we should switch to cultivating sweet potatoes as soon as possible. At the moment, the supply of sweet potato seedlings in the disaster-ridden areas falls short of demand, so that prices are soaring. For this reason, it is urgent that the supply and marketing departments go to neighbouring nondisaster areas to purchase more sweet potato seedlings in order to meet the needs of people in the disaster area. We must also adopt effective policies and measures to spur the people in the disaster areas to go all out in promoting winter cultivation. While mainly depending on the collective to do winter cultivation, we must also bring into play the potential of individual commune members to grow more winter crops. We must energetically develop sideline production by the collective. Whatever sidelines are suitable for collective management should be run by the collective. Those the collective is unable to manage and which are suitable to be operated by individual commune members should be freely left in the hands of the latter. We must be sure to firmly implement the series of rural economic policies stipulated by the third plenary session, allow the party policies to manifest their tremendous strength in the work of production and disaster relief, raise production and relief work to a new level and swiftly change the face of the disaster areas.

The key to doing a good job of production and relief work lies in the leadership. When the masses are suffering from disaster, party organizations and cadres in the disaster area have to be tested as to whether they have adopted the right attitude in work and how the work is done. In the earlier period, there emerged in every disaster area a number of outstanding cadres who served the people with hearts and souls, betrayed no fear in the danger of flood, took the masses' interests as more important than their own and did a remarkable job in disaster relief. We hope that other areas will extensively propagate their exemplary deeds, spread their advanced experiences and turn them into lively and concrete teaching material in conducting ideological and political work for the party members and the cadres. In conducting disaster relief, criticism and education should be instituted for certain cadres who are unconcerned about the well-being of the masses, and irresponsible in work, thus causing losses to work. Serious cases where mistakes are not corrected should be severely dealt with. If we are clear about the achievements and errors, and about reward and punishment, then we can kindle the revolutionary enthusiasm of everyone and enable everybody to do a better job of production and relief work.

DUAN JUNYI ATTENDS WATER CONSERVANCY SEMINAR IN ZHENGZHOU

HK010408 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 30 Oct 79 HK

[Summary] The China Water Conservancy Association recently held seminars from 18 to 29 October in Zhengzhou on harnessing the middle and upper reaches of Yellow River. (Qi Zhongming) and (Li Guolin), vice chairmen of the China Water Conservancy Association presided over the meetings and Chairman (Zhang Haibin) gave opening and closing speeches. The leaders of the Ministry of Water Conservancy, participated in this seminar. During the seminar, First Secretary of the Henan Provincial CCP Committee Duan Junyi and Hu Lijiao, second secretary of the provincial CCP committee and chairman of the Standing Committee of the Henan NPC, also participated and visited with delegates and listened to the speeches and discussions. Forty-seven people gave reports and speeches.

DATE
I. 2 Nov 79PEOPLE'S REPUBLIC OF CHINA
SOUTHWEST REGION

Q 1

YANG DEZHI ADDRESSES KUNMING PLA MILITIA WORK MEETING

HK310702 Kunming Yunnan Provincial Service in Mandarin 1330 GMT 30 Oct 79 HK

[Text] A forum on militia work was recently held in Kunming by the Kunming PLA units. The forum reviewed the situation in implementing the spirit of the national militia work conference in the past year, summed up and exchanged experiences in militia work during the self-defense counterattack against Vietnam, discussed the militia work tasks in the new period and considered the question of how militia work should conform to the new situation following the shift of focus of party work.

Present at the forum were Yang Dezhi, commander of the Kunming PLA units, Deputy Commander Zhang Zhixiu and Deputy Political Commissar Hu Ronggui.

The comrades attending the forum studied Comrade Ye Jianying's National Day rally speech, and the speech and report that Comrades Nie Rongzhen and Yang Yong delivered at the national militia work conference. They persisted in the principle of taking practice as the sole criterion for testing truth, proceeded from reality in everything, emancipated their minds, spoke out, and analyzed the studied the current problems in militia work in a truth-seeking way. They summed up fresh experiences compatible with the spirit of the third plenary session, with the reality of militia work and with the requirements of actual combat. The leading comrades of 19 units spoke at the forum, introducing their experiences in doing a good job of militia work.

Comrade Yang Dezhi, commander of the Kunming PLA units, made an important speech at the forum. He said: In the new period of the four modernizations, the political status of the militia, far from being reduced, is more greatly enhanced, and the role of the militia, far from becoming smaller, is greater. The burden of the militia, far from being lighter, is actually heavier. To promote the four modernizations in a big way, it is necessary to run the militia in a big way. We must regard strengthening militia building as a strategic measure for defending the four modernizations and the border, stepping up the struggle against the enemy in the border region and being prepared to oppose a war of aggression, and seriously grasp it well.

He pointed out: The main task of the provincial military districts and subdistricts is to lead and command the militia work and do a good job of militia work. We must insure that the party committees and leaders of the provincial military districts and subdistricts devote their main energy to militia work. The headquarters, political and logistics organs and departments must have clear-cut responsibilities and put their strength on a sound basis. The majority of their cadres must do militia work, and they must genuinely act as leading organs for militia work. The PLA units must carry forward the army's glorious traditions of conducting propaganda among the masses and organizing and arming the masses and actively and spontaneously do a good job of militia work. We must insure that there are leaders taking charge of the work and personnel in the departments grasping it, and that plans are made for the work.

Comrade Yang Dezhi demanded that leaders at all levels emancipate their minds, start up their machines, fundamentally improve their leadership style and work methods, proceed from the reality of their own areas and units, seek truth from facts, integrate theory with reality, keep in close contact with the masses, ceaselessly study new situations and solve new problems in militia work, sum up new experiences and spur militia work to advance.

DATE
I. 2 Nov 79

Q 2

PRC
SOUTHWEST REGION

Comrade Zhang Zhixiu, deputy commander of the Kunming PLA units, spoke at the forum on the question of how militia work should suit the shift of the party's work focus. Deputy Political Commissar Comrade Hu Ronggui made a report on the situation in implementing the national militia work conference and opinions on future work. In his report he summed up the main achievements in implementing the spirit of the national militia work conference in the past year. He also put forward five opinions on further strengthening militia building in the future. In conclusion he called on everyone to hold high the great banner of Chairman Mo, uphold the four basic principles, unite as one, work in concert, vigorously strengthen militia building in the region, make preparations for opposing a war of aggression and strive to build and protect the four modernizations and defend the sacred border of the motherland.

BRIEFS

SICHUAN OIL LEAK--The (Jinjiu) oil depot of the petroleum company, Liangshan Yi Autonomous Prefecture, Sichuan Province, had a major accidental oil leak on 17 August this year, polluting 1,078 mu of good farmland belonging to 10 production teams. Two hundred eighty-seven dun of diesel oil leaked, affecting the yield in 790 mu. The loss of diesel oil alone amounted to 50,000 yuan. The cause of this accident was dereliction of duty on the part of two persons in charge. In the first 8 months of this year, the depot has had 10 medium and minor accidents and no efforts have ever been made to solve problems after any accident. Management of this depot has been chaotic in the past 2 to 3 years. [Beijing Domestic Service in Mandarin 2230 GMT 18 Oct 79 OW]

SICHUAN INDUSTRY--The level of industrial production in September in Sichuan increased by 9.6 percent over August, an increase of 13.6 percent over the corresponding period of last year. The profits earned by local industries throughout the province in September increased by 11.2 percent over August. From January to September 1979, the level of industrial production throughout the province increased by 10.2 percent over the corresponding period of last year and profits increased by 17.9 percent. [Chengdu Sichuan Provincial Service in Mandarin 2310 GMT 16 Oct 79 HK]

THAI DELEGATION IN YUNNAN--The Thai newspaper delegation, headed by the publisher of the Bangkok POST visited Kunming from 13 to 15 October and left Kunming by plane for Guangzhou on 15 October. (Li Kun), deputy editor in chief of YUNNAN RIBAO, met the delegation. Dao Guodong, vice chairman of the provincial revolutionary committee, received the delegation and gave a banquet in their honor. (Mu Lizhang), vice chairman of the Kunming Municipal Revolutionary Committee, also attended the banquet. [Kunming Yunnan Provincial Service in Mandarin 1100 GMT 16 Oct 79 HK]

YUNNAN TEXTILES--By the end of September, the textile industry in Yunnan had fulfilled 237.5 million yuan of total value, an increase of 16.5 percent over the corresponding period of last year. Of the three main products, cotton yarn had fulfilled 79 percent of the plan, cotton had fulfilled 86.9 percent and dyed cloth had fulfilled 88 percent. This year, the textile industry in the province planned to produce 142 new products. Currently 80 percent of this plan has been fulfilled. [Kunming Yunnan Provincial Service in Mandarin 1330 GMT 16 Oct 79 HK]

BEIJING MEETING REVERSES VERDICT AGAINST TRADE UNIONS

SK011424 Beijing City Service in Mandarin 1030 GMT 31 Oct 79 SK

[Excerpts] A meeting to reverse the wrong verdicts imposed on the trade union council and trade unions at all other levels in Beijing Municipality was held on 29 October at the municipal workers club. The meeting was presided over by Comrade (Wang Jingkui), vice chairman of the municipal trade union council. Comrade Li Ligong, secretary of the municipal CCP committee, attended and addressed the meeting. Comrade (Peng Simin), chairman of the municipal trade union council, delivered a speech at the meeting. Present at the meeting were representatives from various districts, counties and bureaus, various institutions of higher learning and various organizations under the municipal trade union council as well as cadres from grassroots trade unions of various enterprises and establishments, numbering some 1,000 in total.

At the meeting, Comrade Li Ligong first read a resolution adopted by the Beijing Municipal CCP Committee to reverse the wrong verdicts previously set against the municipal trade union council and the trade unions at all other levels in the municipality. This resolution revoked the wrong instructions which the municipal revolutionary committee issued in 1968 on the question of the municipal trade union council and it overturned all slanders and false charges which the workers congress leveled against the municipal trade union and the trade unions at all other levels in the municipality.

In his speech, Comrade Li Ligong called on trade unions at all levels to take the initiative and shoulder responsibilities in carrying out their work and mobilize and organize the worker masses to take an active part in and make contributions to the four modernizations. In addition, he urged the trade unions to educate and lead the staff members and workers to struggle firmly against anything hampering or undermining the political situation of stability and unity and to defend the interests of the state, the collectives and the people.

LIU ZIHOU ATTENDS HEBEI SECURITY DIRECTORS' MEETING

SK011437 [Editorial Report SK] Shijiazhuang Hebei Provincial Service in Mandarin at 1100 GMT on 30 October broadcasts a report on the meeting of directors of prefectural and municipal public security bureaus held in Shijiazhuang Municipality. According to the report, Liu Zihou, first secretary of the Hebei provincial party committee, and Jiang Yizhen, second secretary of the Hebei provincial party committee, attended the meeting.

HEBEI CONFERENCE ON ARCHIVES WORK EMPHASIZES SCIENCE

HK011259 Shijiazhuang Hebei Provincial Service in Mandarin 0400 GMT 27 Oct 79 HK

[Summary] "The general office of the Hebei Provincial CCP Committee recently held a conference on archives work in Shijiazhuang. The meeting conveyed and implemented the spirit of the national conference on archives work, exposed and criticized the crimes of Lin Biao and the gang of four, whose ultraleftist line caused sabotage in archives work, summarized the major positive and negative experiences and studied and affirmed the future tasks of archives work in our province. Some 260 comrades and staff and workers responsible for archives work in the prefectures, municipalities and provincial organs participated in this meeting. Comrade Yin Zhe, secretary of the Hebei Provincial CCP Committee, and Comrade (Xing Anmin), Standing Committee member and concurrently secretary general of the Hebei Provincial CCP Committee, participated in the meeting and spoke."

I. 2 Nov 79

R 2

PRC
NORTH REGION

They stressed the importance of archives work in their speeches, and they encouraged the archives workers throughout the province to be devoted to their duties, act as unknown heroes and make their proper contributions to the four modernizations. They demanded that the party committees at all levels strengthen the leadership over archives work.

"The meeting held: In carrying out archives work, we must persist in the principle of carrying out unified management, persist in the orientation of serving socialist modernization and correctly handle the relationship between maintaining confidentiality and using the archives. We must simultaneously insure the completeness and security of the archives, maintain their confidentiality and enthusiastically provide information for the four modernizations.

"The meeting pointed out: archives of science and technology are a key link in archives work. They provide important conditions for conducting scientific research and promoting production and construction. A great number of archives of science and technology will certainly be created in our future modernization. All places should seriously strengthen leadership over the work concerning modernized and scientific management of archives work and enthusiastically make use of the archives of science and technology."

NEI MONGGOL REGIONAL REVOLUTIONARY COMMITTEE SESSION CLOSES

Second Plenary Session

SK011508 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Oct 79 SK

[Excerpts] According to station sources, the second plenary session of the Nei Monggol Regional Revolutionary Committee was held in Hohhot. After a 4-day session, the plenary session concluded on 21 October. Its main task was to study and discuss the issue on convening the second session of the Fifth Nei Monggol Regional People's Congress. Sixty-nine committee members attended the plenary session. Present were Kong Fei, chairman of the Nei Monggol Regional Revolutionary Committee, Liu Jingping, Yun Shiying, Zhang Pengtu, (Li Wen), Shen Xinfu and Se-yin-ba-ya-er, vice chairmen of the regional revolutionary committee. Also present as observers and advisers were secretary general and deputy secretary general of the regional revolutionary committee and responsible persons of departments, committees and offices concerned.

At the conclusion of the closing session, Zhou Hui, first secretary of the Nei Monggol Regional CCP Committee, Ting Mao, second secretary of the regional CCP committee, and Wang Duo, permanent secretary of the regional CCP committee, greeted all committee members present at the session. Comrade Zhou Hui gave an important speech.

All participants sincerely studied the speech of Comrade Ye Jianying at the National Day rally. Through study of his speech, they further understood that advancing the national economy was the pivot of their political life and an overriding political issue for the present and the future.

The session adopted the resolution on convening the second session of the fifth regional's people's congress and determined all issues concerning the related preparatory work after full consultation and discussion. On behalf of the Nei Monggol Regional Revolutionary Committee, Comrade Kong Fei, chairman of the regional revolutionary committee, gave a report to all committee members on the work of 1979.

Kong Fei's Report

SK011516 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Oct 79 SK

[Text] According to station sources, Kong Fei, chairman of the Nei Monggol Regional Revolutionary Committee, in his report reviewing the region's work since the beginning of this year at the second session of the Fifth Nei Monggol Regional People's Congress, said: The economic situation in our region is excellent. On the basis of an extensive and intensive investigation and study in the countryside and rural areas, we have summed up the experience and lessons in developing agriculture, animal husbandry and forestry over the past 30 years or more and set forth the principle of stressing animal husbandry, integrating agriculture with animal husbandry and forestry, paying attention to local conditions, placing emphasis on specific circumstances, promoting diversified economy and insuring all-around development. Since we implemented the two documents of the party Central Committee on agricultural issues and the stipulations of the region concerning policies to be carried out in the countryside and the pastoral areas and since we did a relatively early and meticulous job in grasping all the production measures, aided by an even rainfall, we have reaped a bumper wheat harvest in the region this year.

Autumn grain, oil-bearing crops and beets are growing relatively well and a record level is reported for animal husbandry. According to the annual statistics for animal husbandry, the number of livestock in the region is 30.02 million, a total increase of 25.2 percent and a net increase of 9.9 percent--a record for recent years. The number of hogs is 6.11 million, an increase of 96,000 head over the corresponding period in 1978.

In the first 6 months, the region has afforested 3.53 million mu of land which is 67.3 percent of the annual plan. Commune and brigade run enterprises are also vigorously developed. It is anticipated that this year's income for these enterprises may reach 400 million yuan, an increase of 8 percent over 1978, which accounts for more than 16 percent of the total income of the 3-level economy of the people's communes.

With regard to the industrial and communications front, we have consolidated and strengthened the leading bodies of enterprises, set up and improved all the rules and regulations and further raised the enterprise management to a new level. All industrial and mining enterprises have extensively carried out a campaign to increase production and practice economy centering on good quality, high yield, multiple varieties and low consumption and widely launched quality-month activities, thus promoting the development of industry. During the January-September period of this year, the total industrial output value fulfilled 74.4 percent of the annual plan, showing an increase of 2.6 percent over the corresponding period in 1978.

As for financial and trade work, following the principle of developing economy and insuring self-supply, we have expanded the interflow of commodities, improved management and implemented all economic policies. The purchasing and marketing situation is good and the financial revenue is getting better and better. With the development of production, the daily life of the people is improving step by step. This year, the region plans to build workers' dormitories covering a floor space of some 1.1 million square meters. By the end of September, about 340,000 square meters of floor space had been constructed.

The income and food grain of peasants have also universally increased. During this year, our region has provided jobs for over 160,000 unemployed people. All localities are breaking new ground for the unemployed and actively providing jobs for the people waiting for job assignments.

I. 2 Nov 79

R 4

PRC
NORTH REGION

Committee Resolution

SK011521 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Oct 79 SK

[Text] According to station sources, the resolution adopted at the second plenary session of the Nei Monggol Regional Revolutionary Committee states that the second session of the Fifth Nei Monggol Regional People's Congress will be held in Hohhot during December 1979.

The agenda of the second session of the regional people's congress is: listen to and examine the work report of the regional revolutionary committee, the work reports of the regional higher people's court and the people's procuratorate; review the situation on implementing the 1979 national economic plan and the suggestions for arranging the work in 1980; review the situation on implementing the 1979 financial budgetary outlays and the budgetary estimate in 1980; discuss the draft 3-year readjustment plan for the national economy of the region; elect the chairman, deputy chairman and committee members of the Standing Committee of the regional people's congress; make decisions on who will be the chairman and deputy chairman of the regional people's government; elect the chief procurator of the regional people's procuratorate, the presidents of the intermediate people's courts and procurators of the branches of the people's procuratorates of various leagues and elect additional deputies to the Fifth National People's Congress.

The regional revolutionary committee called on the vast number of cadres and the people of various nationalities of the region to unite as one and, with one heart and one mind, achieve greater, faster, better and more economical results in carrying out the socialist construction of the region and greet the successful convocation of the second session of the fifth regional people's congress with remarkable achievements.

LUO GUIBO ATTENDS SHANXI ARCHIVES WORK CONFERENCE

HK011257 Taiyuan Shanxi Provincial Service in Mandarin 1100 GMT 26 Oct 79 HK

[Summary] A Shanxi provincial conference on archives work was recently held in Taiyuan, attended by 360 persons. Luo Guibo, second secretary of the provincial CCP committee; Zhao Yuting, secretary; and (Han Hongying), member of the Standing Committee of the provincial CCP Committee and acting secretary general of the provincial CCP Committee, attended the conference. Luo Guibo and (Han Hongying) made speeches. The conference conveyed the spirit of the national archives work conference, summed up positive and negative experiences in archives work in the past 30 years, and criticized the crimes of Lin Biao and the gang of four in sabotaging archives work with a frenzy, causing extremely serious consequences.

The conference held: The tasks for the next 2 years are to strive to develop archives work, improve the standard of scientific management of archives, and actively promote the use of archives to serve socialist modernization. At present it is necessary to do well in the ideological and organizational building of the force of archives work personnel. The leadership at all levels must attach importance to archives work and build up a Red and expert work force. The units concerned should improve the work of compiling, keeping in order, storing and using archives.

I. 2 Nov 79

R 5

PRC
NORTH REGION

CHEN WEIDA SPEAKS AT TIANJIN MEETING ON RAISING PRICES

SK001453 Tianjin City Service in Mandarin 2330 GMT 31 Oct 79 SK

[Excerpts] According to a Tianjin RIBAO report, the Tianjin Municipal Revolutionary Committee held its fourth plenary session on 24 and 25 October [words indistinct] to discuss the two plans formulated in accordance with the decision of the central authorities on raising the selling prices of major nonstaple foods and giving nonstaple foods subsidies to workers. The session unanimously agreed that beginning 1 November, the selling prices of eight kinds of nonstaple foods will be raised and workers in Tianjin will receive nonstaple food subsidies as specified.

Chen Weida, chairman of the Tianjin Municipal Revolutionary Committee, presided over the session and delivered a speech. He said: "Stabilizing prices in the main and improving living conditions of the people is a consistent principle of our party and state. This readjustment of the selling prices of the major nonstaple foods and light industrial products and the standard charges of some special repairs and service trades must be carried out in strict accordance with the policies and stipulations of central authorities. All departments concerned, especially commercial departments, must implement price policies, strictly forbid raising prices without approval of authorities or raising prices in a disguised form and strictly prevent the raising of prices to be used as a way to switch deficits to profits. All trades and professions should continue to carry out large-scale price surveys and correct errors wherever they exist. Under the supervision of the masses, it is necessary to strengthen price control and strictly enforce price discipline. Punishment should be given to those who seriously violate the laws and the discipline should be in accordance with party discipline and state laws.

In conclusion, Comrade Chen Weida said: Leaders at all levels should be concerned about the well-being of the masses and make adequate arrangements for their daily life. Appropriate subsidies should be given to those staff and workers, bereaved and old folks and family members of revolutionary martyrs and servicemen who have material difficulties, so that the broad masses of staff and workers can concentrate their minds on working for the four modernizations. Yan Dakai, vice chairman of the Tianjin Municipal Revolutionary Committee, summed up the session in a speech.

TIANJIN HOLDS RALLY ON ENERGY CONSERVATION MONTH ACTIVITY

SK011434 Tianjin City Service in Mandarin 1330 GMT 29 Oct 79 SK

[Excerpt] According to our reporter, a mobilization rally on "energy conservation month activity" was held in Tianjin Municipality on the afternoon of 29 October. The rally called on the broad masses of staff members and workers of all trades and professions to swing into action to launch the mass activity of conserving energy extensively, formulate measures to lower coal, oil and power consumption and increase to a new level the utilization of energy so as to keep pace with the progress of the four modernizations.

A circular issued by the State Economic Commission on launching the first national energy conservation month activity in November was transmitted at the rally. Attending the rally were comrades of various departments, committees and offices concerned under the municipal CCP and revolutionary committees. [passage indistinct]

Li Zhongyuan, vice chairman of the Tianjin Municipal Revolutionary Committee and chairman of the municipal economic commission, spoke at the rally.

I. 2 Nov 79

PEOPLE'S REPUBLIC OF CHINA
HONG KONG COMMUNIST PRESS

U 1

TUNGHSIANG CARRIES BANGKOK REPORT ON HOANG VAN HOAN'S DEFLECTION

HK240850 Hong KONG TUNGHSIANG in Chinese No 13, 16 Oct 79 pp 23-26 HK

[Report by Bangkok's XIN ZHONG YUAN BAO [NEW CENTRAL PLAINS NEWSPAPER]: "The First Inside Story About the Whole Course of Hoang Van Hoan's Fugitive Journey"--date not given]

[Excerpts] Ho Chi Minh once said: "Hoang Van Hoan is loyal and devoted to the country and the people; Truong Chinh is open and aboveboard; Vo Nguyen Giap is fond of playing petty tricks; Pham Van Dong is relatively practical; Le Duan is excessively rude, shrewd and deep."

There has been a report that Vietnamese Premier Pham Van Dong was so enraged by the Hoang Van Hoan incident that he became ill.

On his way to East Berlin to cure an illness, Hoang Van Hoan adopted the same route used by Kissinger for a secret flight to Beijing, defecting via Karachi, Pakistan.

Hoang Van Hoan arrived in Beijing together with his two nurses who had continuously accompanied him. During his flight from Hanoi to Pakistan, Hoang Van Hoan was watched throughout the journey by Vietnamese and even Soviet special agents. His successful defection shows that Chinese special agents are infinitely resourceful. Pakistani special agents certainly took part in the incident and the Pakistani military also probably participated; otherwise, Hoang Van Hoan could never have gotten away.

Sino-Pakistani relations have always been close. China's aid to Pakistan over the past 20 years has amounted to a billion dollars. It now seems that the victory in this espionage-type political battle has already been worth the price of the aid.

The defection of Hoang Van Hoan was first revealed by the FAR EASTERN ECONOMIC REVIEW which said the drama began on 3 July when Hoang Van Hoan left for a medical checkup in Berlin. When he arrived in Karachi, Hoan falsely complained of acute chest pain and was hurriedly taken to a hospital. The doctor who accompanied Hoan was not allowed into the emergency room. When the plane completed refueling and was ready to resume its journey, it was discovered that Hoan had disappeared.

According to Vietnamese National Assembly Secretary General Xuan Thuy, Hoang Van Hoan left for East Berlin via Karachi by air on 3 July. Hoan pretended to be tired and demanded a temporary stop in Karachi. He was sent to an airport hotel to rest. He suddenly disappeared on 5 July.

Pakistani sources have given a different version of the "disappearance" of Hoang Van Hoan which sounds quite strange.

Sources in Karachi said that Hoang Van Hoan arrived there from Hanoi by air at noon on 3 July. During his flight, his "condition" suddenly "deteriorated." He left the plane with the help of stretcher bearers.

According to general practice, a plane must report to the control tower before landing if the condition of a patient deteriorates, so an ambulance can be arranged for the patient. The patient will certainly be the first one off the plane.

An eyewitness said that he did not know who was on the stretcher and did not know what had happened. He only saw that when the patient on the stretcher was being moved toward the waiting ambulance, the ambulance seemed to malfunction. He then saw another ambulance suddenly move toward the stretcher from a distant spot and the nursing staff quickly push the stretcher into this ambulance.

I. 2 Nov 79

U 2

PRC
HONG KONG COMMUNIST PRESS

After this, the ambulance sped off with the stretcher and all the "nursing staff." At that time, all those people who had followed the stretcher became very nervous, with some people rushing to the site from elsewhere to take up the matter with the parties concerned. However, probably because they were satisfied with the explanation of the ambulance's malfunction, they immediately got into other cars to chase the ambulance that had sped off with Hoan. The eyewitness did not know what happened after the chase.

After analyzing what the eyewitness said, we can see that the stretcher bearers and the driver of that ambulance were probably Chinese special agents and that those who chased the ambulance were Vietnamese or Soviet special agents.

Other sources said Hoang Van Hoan was taken to the hospital in accordance with the normal procedure by those who had received him. However, when the Vietnamese special agents and the doctor hurriedly arrived at the hospital, Hoan had already been moved into the "emergency room" with no one being allowed to approach him. (God knows where Hoan was when he left the ambulance.)

Hoang Van Hoan, who was said to be semiconscious, "disappeared" immediately after getting off the plane.

No one knew his whereabouts after his disappearance. A report said: Hoan was first sent to Hyderabad. From there he flew in a Chinese Air Force plane for Hangzhou and later to neighboring Anhui Province. After he arrived in Anhui, he went to the top of Huangshan for a good rest.

It is said that this operation to assist Hoang Van Hoan in extricating himself from Hanoi's "political persecution" was designed all along by Deng Xiaoping. When Hoang Van Hoan arrived at Huangshan, Deng Xiaoping also went there.

In addition to expressing his concern for Hoang Van Hoan, Deng Xiaoping's meeting on Hungshan was primarily aimed at using the local quiet environment to study ways to arrange Hoan's public appearance.

After Hoang Van Hoan arrived in Beijing, he told Deng Xiaoping that Pham Van Dong had lost power and influence and that Vietnamese party secretary Le Duan was in control of the whole situation. As a result, China's recent attacks on Vietnam have no longer mentioned "Pham Van Dong and his like" but only criticized the "Le Duan clique."

WEN WEI PO ON HONG KONG'S ROLE IN PRC MODERNIZATION

HK270404 Hong Kong WEN WEI PO in Chinese 26 Oct 79 p 2 HK

[WEN WEI PO 26 October editorial: "Give Full Play to the Role of Hong Kong as a Bridge"]

[Text] Hong Kong has a population of 4.6 million and covers 1,000 square km. With regard to its natural environment, it is a tiny area and of little value. So far as its influence and role are concerned, it is not only a famous international port but also has a role to play in supporting China's four modernizations.

Recently, Chinese leaders have repeatedly talked about the role of Hong Kong. During British writer Greene's interview with Premier Hua Guofeng last month, Hua pointed out that, in the plan for Chinese modernization, "Hong Kong can play a great role;" "there is a great potential for developing economic cooperation between Hong Kong and the mainland" and "this is beneficial to both of us."

While meeting with Hong Kong and Macao compatriots on National Day this year, Marshal Ye declared that he hoped that the Hong Kong and Macao compatriots would play a greater part in the great cause of the four modernizations and the unity of the motherland. He said: "Hong Kong is separated from the mainland and Taiwan by water and Hong Kong should become a bridge linking the mainland and Taiwan and become a political bridge, an ideological bridge and an economic bridge. The Hong Kong compatriots are in a particularly ~~as~~ advantageous position."

The Hong Kong authorities have had clear information about the part and role which Hong Kong will play in the cause of the four modernizations of our country. After Hong Kong Governor MacLehose returned from his visit to Beijing this April, he talked about his impressions and repeatedly pointed out that Chinese leaders have attached importance to the value of Hong Kong and to the contributions which Hong Kong will make toward the plan for modernization. Vice Premier Deng Xiaoping also said: "Tell the Hong Kong investors to set their minds at rest." In his work report which was recently published, the Hong Kong governor placed emphasis on "looking into how to quicken the pace of cooperation between China and Hong Kong."

Hong Kong can play the role of a bridge in supporting the mainland because, as Premier Hua pointed Out: 1) traditionally, Hong Kong has had close connections with the mainland; 2) Hong Kong compatriots have fervently loved their motherland and shown concern for its progress; 3) Hong Kong is a big free port in Asia; 4) Hong Kong has developed its industry and technology in recent years; and 5) the relations between China and Britain and the Hong Kong authorities are excellent.

This is to say that in the course of supporting the four modernizations of the motherland, Hong Kong compatriots are patriotic and capable in industry and technology. Since it is a free port, foreign advanced technology and equipment can be imported to the interior through here. The compatriots' patriotism and capabilities could not be brought into full play in the past, but currently under the correct policies of the people's government and the good relations between China and Britain, this patriotism and capability can be brought into full play. If it is done well, Hong Kong can become a bridge which not only links Taiwan with the motherland but also mobilizes the overseas patriotic forces to support the four modernizations.

The duty entrusted to the Hong Kong compatriots by the times is glorious and important and is shouldered by them with pleasure. In light of the compatriots' attitude over the past years, their enthusiasm has been impressive and the situation has been excellent. People in trade circles have worked to develop trade with China, entrepreneurs have negotiated investments and the establishment of factories, people in cultural and educational circles have carried out exchanges, people in scientific and technological circles have constantly introduced advanced foreign technology and all kinds of professional people have been organized to help with modernization. This support for modernization is continuing and will be more vigorous and extensive in the coming years.

Some people have worried about this. They are worried about Hong Kong's future and the safety of their investments. People who have these worries appear prudent, but have neglected numerous declarations by the leaders of our country and lack a thorough understanding of the actual situation. Hong Kong can play its part for the Chinese mainland in many areas. One of them is economy. The more Hong Kong's industry and technology develop, the greater role Hong Kong will be able to play in the four modernizations. Since this is the case, what worries should Hong Kong's investors have? Likewise, the four modernizations benefit not only the mainland, but also Hong Kong. As the Hong Kong governor said: They will "provide great opportunities" for Hong Kong. Some EEC countries are now using the four modernizations to develop their own economies. Should not Hong Kong which is so near also expect to benefit from the four modernizations? On a mutually beneficial basis, both sides will acquire benefit. Why not go ahead with it?

TA KUNG PAO PUBLISHES PRC CUSTOMS MEASURES

HK250427 Hong Kong TA KUNG PAO in Chinese 24 Oct 79 p 2 HK

[Text] According to this paper's own sources, the PRC customhouse has just promulgated its "Customs Measures To Reward Those Who Assist in the Investigation of Smuggling." The purposes of the measures are to safeguard the socialist economic order in China and reward those units and individuals who help expose smuggling activities or assist in cracking smuggling cases. Rewards will be given on merit.

The 11-article measures will be implemented from 1 November. The following is the full text of the measures:

Customs Measures To Reward Those Who Assist in the Investigation of Smuggling

Article 1. The measures are formulated to encourage the masses of people and departments concerned to assist in prohibiting smuggling and safeguard the socialist economic order in China.

Article 2. Rewards will be given to those units and individuals who help expose smuggling activities or assist in cracking smuggling cases according to the principle of integrating political encouragement with material rewards.

Political encouragement includes: commendations, award certificates of merit and proposing that local leadership organs concerned or units which have meritorious personnel record their merits. Material reward includes bonuses and prizes.

Political encouragement and material reward can be given simultaneously.

Article 3. After handling according to the law smuggling cases exposed by the masses, smuggling cases that have been tracked down with the help of other departments and exposed smuggling cases that have been handed over by other departments, the customhouse may use 15 percent of the fines and the income from the confiscated goods sold at the current price as bonuses for the investigation.

Article 4. Bonuses for the investigation of smuggling will be given in accordance with the following regulations:

1. With regard to those smuggling cases that have been cracked with the help of informers, the customhouse will give one-fourth to three-fourths of a lump sum bonus to the informers concerned and the remainder will be used to cover expenses in the customs investigation.

The maximum bonus for the informer in a smuggling case will be 1,000 yuan. With the approval of the PRC Customs Administration Bureau, bonuses that exceed the prescribed limit will be given to those who make special contributions.

In accordance with concrete conditions, the customhouse will give no more than 50 percent of a lump sum bonus to the units which assisted in cracking a smuggling case and the remainder will be used to cover expenses in the investigation.

2. If a smuggling case is cracked and handed over to the customhouse by a unit, the customhouse will give a lump sum bonus to the unit which handed over the case. If there are informers and organs which have assisted in solving this kind of case, a bonus will be given to the informers and organs by the unit which handed over the case in accordance with the stipulations mentioned in this article (Clause 1).

I. 2 Nov 79

U 5

PRC
HONG KONG COMMUNIST PRESS

Article 5. Generally speaking, bonuses will not be given to those who assist in the investigation of smuggling cases of goods that are exempt from fines but require the payment of taxes that the parties concerned have evaded. However, they may be given political encouragement. If a bonus must be offered to informers in these kinds of cases, the customhouse may give no more than 100 yuan.

Article 6. Political encouragement will be given to those who expose cases of smuggling in which confiscated goods should according to regulation either be destroyed by melting or burning, or gratuitously handed over to special government organs in addition to being exempt from fines. If a bonus must be offered to informers in these kinds of cases, the customhouse may give no more than 500 yuan.

With the approval of the PRC Customs Administration Bureau, rewards that exceed the prescribed limit will be given to those informers who make special contributions.

Article 7. Foreign currency bonuses may be given to overseas informers according to the circumstances and based on the merits of each case.

Article 8. Individuals and units which fail to collect their bonuses 6 months after the customhouse issues its notices will be regarded as voluntarily giving up the bonus and the customhouse will use these bonuses to cover expenses in the investigation.

Article 9. The customhouse should be responsible for keeping information on informers secret.

Article 10. Departments which are entrusted by the customhouse to handle smuggling cases may offer bonuses according to the customs measures.

Article 11. The customs measures will be implemented from 1 November 1979.

END OF

FICHE

DATE FILMED

Nov 9-79

Please Keep Clean!